

Thursday May 2 1996

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| Andorra A 1.50 | Iceland I 1.50 | Poland Z 3.70 |
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| Belgium BE 2.50 | Italy I 3.00 | Slovenia S 1.50 |
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The Guardian

INTERNATIONAL

NEWSPAPER OF THE YEAR

Printed in London, Manchester, Frankfurt and Roubaix

46,542

Chelsea's battle to keep Hoddle

Saint Glenn for England

Sport pages 14 and 16

Derek Malcolm on a new cult movie hit

Things to do... with Andy Garcia

Screen G2 pages 8/9

OnLine

Java: the language of the future

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Rifkind in new feud as ministers are braced for humiliation at the polls

Major: 'I won't buckle'

Leadership rivals line up to back PM

Michael White
Political Editor

JOHN MAJOR yesterday gave the strongest indication yet that he will not buckle under pressure to embrace the Eurosceptic agenda, or resign the Tory leadership, if today's local elections bring the expected humiliation for his party.

As potential challengers like John Redwood denied any plots or threats, the Prime Minister declared defiantly: "I am a Conservative because I believe in Conservatism and I take a middle of the road view on European matters." He said he would "not be pushed from one edge to another edge of the debate".

Mr Major's determination was echoed by possible successors like Michael Heseltine, Kenneth Clarke, Ian Lang and Michael Portillo, as they tried to turn attention to what the Prime Minister called Labour's "hidden agenda of higher taxes".

Last year's challenger, Mr Redwood, even issued a statement saying the leadership issue had been settled then.

The "bloodless coup" scenario being touted by a few dissidents would see Mr Major gracefully stepping down and Mr Heseltine becoming interim leader unopposed — to fight and probably lose the general election, leaving for later the left-right fight for control of the party.

Such a business resolution of the leadership dispute in the opinion polls is all but inconceivable. But ministerial frustration at what loyalists see as a media-driven distraction on the eve of today's local elections was not helped by feuding over the beef crisis.

While backbenchers demanded tougher retaliatory

mandated tougher retaliatory action over the European Union's beef ban, no serious attempt was being made to deny reports that the Foreign Secretary, Malcolm Rifkind, had written to Mr Major protesting at the lack of clear leadership over beef, and last week's U-turn over the retaliation options.

Far from Mr Rifkind being let down, some MPs blame the Foreign Office for sabre-rattling in the first place. In a speech last night Mr Rifkind aligned himself with Mr Major by rejecting both "a federal supranational state" and the romantic notion that Britain could quit the EU.

Mr Major expressed what is the Cabinet majority's view in a lunch-time speech to regional newspaper editors. "Our national interest requires us to be in Europe," he said, warning against "simplistic headlines" or negative reporting when complex issues needed to be properly explained.

"As Prime Minister, I must speak for the national interest as I see it — and I will — whatever noises off may be."

Mr Major protested that the worst reporting was that which said there was little difference between the parties. "It is true Labour try to ape Tory sentiments, because they know that's what appeals to the heart of the nation. But the policy differences are very real."

Mr Lang, the Trade Secretary, protested at what he called "a whirlwind of speculation and fantasy" about a leadership challenge.

More candid colleagues admit that Tory MPs must take much of the blame.

To add to the mood of disarray in their ranks, the Scottish Secretary, Michael Forsyth, rejected EU requests to put Europe Day posters into Scotland's schools, while Peter Thurnham, the MP who recently resigned the Tory whip, urged voters to back the Liberal Democrats today if they want to guarantee a European referendum and electoral reform.

The maverick MP does not plan to join the party himself, he wrote in his local Bolton paper. But he urged Sir James Goldsmith not to spend £20 million campaigning for a referendum, but to organise a nationwide postal ballot at half the cost.



'Our interests require us to be in Europe,' John Major told regional newspaper editors yesterday. PHOTOGRAPH: GRAHAM TURNER

Schoolgirls accused of killing after funfair fight

Owen Bowcott

TWO teenage girls appeared in Kettering youth court yesterday charged with the manslaughter of Louise Allen, aged 13, who died after trying to stop a fight on Monday evening.

The two schoolgirls, aged 12 and 13, from Corby, in Northamptonshire, were remanded into secure local authority care. The girls, who cannot be identified for legal reasons, each spoke only once to confirm they understood what was happening.

Both sat with their parents and were dressed in sweat-shirts, tracksuit bottoms and training shoes.

Louise was found unconscious on a grass verge near a funfair in Corby, following a fight among teenagers. A policeman and a passerby attempted to give her first aid and she was rushed to Kettering general hospital.

A post-mortem examination revealed she suffered severe head and upper body injuries. Her parents, John and Ellen Allen, were at her bedside throughout Tuesday until they gave doctors permission for the life support system to be turned off. The inquest into her death is due to open tomorrow.

Detectives trying to establish exactly what happened on the evening of the attack were yesterday still making house to house inquiries and interviewing witnesses.

Schoolfriends, neighbours and teachers praised Louise's high spirits and readiness to help others. Squinting on their rucksacks or snuffling back their tears, Louise's friends gathered yesterday lunchtime on the spot where she was attacked.

Huddled in a circle around the small mound of flowers and teddy bears left by well-wishers, they popped bubble



Louise Allen, 13, who died after trying to stop a fight

gum or toyed with footballs until they fell silent.

"Louise would never do anything wrong to anyone," said Caroline Moorhouse, aged 15, who had laid a bunch of flowers on the growing pile. "I used to go to discos with her on Thursdays. She was always ready to help friends. This time she got caught in a fight."

Though most pupils from Our Lady and Pope John secondary school, which Louise attended, expressed shock at her death, others were less surprised.

"There are lots of fights around here," one boy said. "But it's normally boys who fight." Many children stayed away from classes yesterday at the Roman Catholic school which has 572 pupils.

Denise Boyle stood at the gates in tears. "Louise was brilliant. She was great at netball. I used to walk home with her. I'm two years above her but I didn't want to go to school today. I knew she was hurt but I thought she would get better."

The school's headmaster, Jim Platt, aged 54, said: "The pupils and staff are devastated."



Austin

Standing by their man — loyalty pledges for Prime Minister

"I have no doubt that John Major will lead the Conservative Party at the election or that he will win it. I have spoken (to journalists) with no inflection or hesitation or doubt. I didn't look sheepish. I looked you in the eye."

Michael Heseltine, Deputy Prime Minister

"Speculation about the leadership is completely misplaced. This matter was settled comprehensively last year."

Michael Portillo, Defence Secretary

"The leadership was decided last summer. We are going to go on as a united party and we are going to fight the election on our record on the real issues."

Ian Lang, Trade Secretary

"As far as I am concerned the Conservative Party settled the issue of the leadership last summer. I have made it very clear I have no intention of challenging John Major as Prime Minister and leader."

John Redwood, failed leadership candidate

Pets win £32.5m prize for insurance firm's founders

Tony May

WHEN Patsy Bloom's pet dog, Jamie, fell sick in 1976 she could not find an insurance company willing to help with the vet's bills so she borrowed £250 and set up her own insurance plan.

Yesterday she and partner David Simpson, who also put up £250, sold the Pet Plan company to Cornhill Insurance for £32.5 million.

They will each receive £16 million, a theoretical return on their investment of 6.4 million per cent.

Ms Bloom, aged 55, was

named as Business Woman of the Year in 1993, but ironically in 1976 she felt that she had to find a man when she was looking for a partner in order to please the insurance industry.

"You could not get anywhere in the insurance industry as a woman then. It would be churlish to say it is still the same today although insurance companies are not the most forward thinking in terms of women's interests," she said.

When she tried to interest insurance companies in the idea some people just laughed.

So, she said: "I rushed

round to my animal-mad friends and said 'would you buy pet insurance for a tenner?' and they did."

In the first year Pet Plan insured 1,300 animals but now has 400,000 policyholders on its books who pay a total of £40 million a year in premiums. The partners founded not just a company but a new branch of the insurance industry.

"I know that people will look at us and see we have ended up with heaps of money but it has involved hours of sheer struggle. I have no regrets but I have no doubt I married the business."

"People have asked me

"How do you feel about the loss of the baby? But I say it's like chucking out an unruly teenager," said Ms Bloom.

She said they had decided to sell the company after they realised it needed more resources than a private company could raise. They had ruled out floating Pet Plan on the stock market.

Instead, Cornhill Insurance will provide the underwriting backing for Pet Plan's range of insurance policies covering pets and horses, and Ms Bloom and Mr Simpson are staying on.

Mr Simpson will become

chief executive while Ms Bloom will remain a director with particular responsibility for marketing and promotion.

The firm's staff of 200 — some of whom in the past worked without pay to keep the business growing — will stay in Brentford, west London, as employees of Cornhill.

But Ms Bloom would not advise others to follow her example today. "Go for venture capital, that's my serious advice."

"It was not available then and it is a different ball game now. You could not start up a company like that with private money."



Patsy Bloom, who borrowed £250 to start up company

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Prague Writers' Festival 1996

The Viola Theatre, May 9-11

This year the Prague Writers' Festival, directed by Michael March, will once again showcase a selection of fine authors from around the world. Under the festival's theme of "Ancient Evenings", writers including R.S. Thomas from Wales, Sylva Fischerova of the Czech Republic, and Jim Barnes from the USA will be presenting their work at the festival. There visitors can enjoy a rare opportunity to listen to, and meet, these renowned international authors.

For more details call: 44 (0) 171 7134133

Sketch

Heavyweights not a pretty picture



Simon Hoggart

TORY Central Office these days looks like a modern art gallery. In the hall there's the famous portrait of John Major, the one where he's standing in front of a bookcase wearing wrinkled slacks — the Daks of Dorian Grey. Then to one side are two pyramids of baked bean cans, one with red labels marked "Labour Has Beans", the other in yellow marked "Liberal Half-Baked Beans".

Bizarrely, these cans contain real beans. The display should be entitled "Party Political Broadcast by Andy Warhol". If Theresa Gorman were to be sliced down the middle, suspended in formaldehyde and labelled "European Split 1996" the whole room could be transferred straight to the Serpentine Gallery. The next room was filled with cabinet heavyweights. There was Brian Mawhinney, Ken Clarke, Michael Heseltine and the nice, diffident local government minister David Curry, whom nobody has heard of, and who looked like a pilot fish invited to join the sharks for tea.

Some hooligan (who sounded suspiciously like my colleague Michael White) demanded: "Why are there no rightwingers? Why is this a leftwing press conference?" Messrs Clarke and Heseltine grimed with wolfish pleasure. They were asked about beef. Michael Portillo had said that morning that the British people were "disgusted" by what Brussels had done. Both looked vague. They have probably heard of Mr Portillo, in the same way the rest of us have. But cabinet ministers see very little of each other, except at Cabinet. To people like Mr Clarke and Mr Heseltine, he is the equivalent of that bloke whose name you can't quite remember but usually turns up at the weekly marketing meeting.

First night

Literary genius as silly old buffer

Michael Billington

Tolstoy Aldwych THE American dramatist, James Goldman, specialises in cutting marital feuds down to size. In The Lion in Winter, he turned the quarrel between Henry II and Eleanor of Aquitaine into bitchy Broadway comedy. Now, in the dismal Tolstoy, he takes the lacinating feud between the great novelist and his wife, Sonya, and makes it seem like an episode from a Russian soap. The year is 1910. The setting is Yasnaya Polyana, the family estate. Tolstoy and Sonya are at loggerheads. She is desperate to save him from the Tolstoyan cultists and in particular from his devoted acolyte, Vladimir Chertkov. When Chertkov persuades Tolstoy to part with the diaries that he and Sonya have kept obsessively, she responds with an attempted drowning. Finally Tolstoy leaves home and ends up in a railway junction hut at Astapovo, where, denying his denials, wife access, he dies in agony. It is one of the most tragic ends to an extraordinary life, the story of a modern Lear. But this is to reckon without Mr Goldman, who reduces it all to bathos. It is impossible, for a start, to believe that the genial old buffer calling himself Tolstoy bears any relation to the despotic genius who emerges from the biographies. Henri Troyat wrote that Tolstoy enjoyed the destiny not of one man but 10 or 20. Here he seems a manipulated weakling who even twinkles

Didn't the beef ban prove that Europe was against us? Mr Heseltine said that the first country to ban British beef was the United States, seven years ago. Mr Clarke chipped in. Canada had banned it. Australia, Singapore, New Zealand and Hong Kong as well. The implication was that Europe had been far kinder to our beef than our own former colonies. Indeed, he seemed to be saying, they had been positively helpful. "The discussions we are having with the Europeans are to find a way of lifting the ban on good British beef. Those who are trying to turn the ban into the latest hysterical Europhile and Euroseptic row are missing the point," the Chancellor said. "Yes, of course, and no doubt Princess Diana will be on hand to watch the first mass incineration. Finally — after wasting precious seconds discussing the ostensible topic of the press conference, today's council elections — we reached the only interesting subject. Was Mr Heseltine hoping to seize Mr Major's job?" Hezza assumed his plotting scowl. "The record is totally straight. But journalists don't listen to answers the first time, or the second time, or the 35th time. They examine every full stop, every comma, every blink. "I have no doubt that John Major will lead the Conservative Party in the next election or that he will win it, and I and my colleagues will be there to help him. This is what we in the old deconstructionist trade call "cognitive dissonance". Since it is inconceivable that Mr Heseltine has "no doubt" that Mr Major will win the next election, can we attach any significance to his view that Mr Major will be the leader of his party at the time? "I am not being sheepish," he continued, "I am looking at you straight in the eye." I gazed at him, his eyes flickering suspiciously around the room. To settle it all, I have fed these remarks into the powerful Cray mega-computer at the Ecole Jacques Derrida in Paris, and expect a solution to what Mr Heseltine really means some time before the end of the millennium.

Left, right and centre, the 'it's my party' theme has been given a new lease of life

Michael White and Seumas Milne hunt for clues

Scargill makes his pitch

AS Mohammed al Fayed, owner of Harrods, entered the political fray yesterday with plans for an independent think tank, Arthur Scargill opened a new phase in the guerrilla war which small parties are threatening to wage against the Labour-Conservative hegemony at the coming general election. Just as the Goldsmith-funded Referendum Party is sizing up prominent Tory MPs such as Kenneth Clarke and David Mellor to take on members of Mr Scargill's SLP, he has already decided to challenge Tony Blair in his Sedgfield constituency and the Shadow Employment Secretary, Michael Meacher, in Oldham West. Mr Scargill announced yesterday that the party planned to launch its first parliamentary candidates as it could afford, not a problem facing Sir James, who has pledged £20 million from family trusts to fight for a "real" referendum on Europe. Mr al Fayed — who, like Sir James, made his first fortune in the grocery trade — is singularly free of immediate financial constraints if he decides to go down the same path. But colleagues stated categorically yesterday that the Egyptian-born entrepreneur is not, contrary to reports, planning to start a formal political party as such, even though he is passionately interested in democratic politics and reform of British institutions. Instead he may emulate another philanthropic tradition in the grocery trade, that of the Sainsbury family, whose good causes have long included discreet help for political think tanks. Mr al Fayed is looking for bright young people, "without axes to grind", to run an independent institute to examine options for constitutional reform. He will provide the "seed corn." Options range from a slimmed-down monarchy and reformed House of Lords to a Bill of Rights and Freedom of Information Act. Mr Scargill is also an outsider with a grievance. The National Union of Mineworkers president said yesterday, because there were now "no fundamental differences between the Conservative Party, New Labour and the Liberal Democrats". The new party, whose candidate Brenda Nixon won 5.4 per cent of the vote in the Hemsforth by-election in February, has been dismissed by both the Labour leadership and leftwing MPs like Ken Livingstone as irrelevant. Mr Scargill was flanked at the launch by two London Labour councillors who have defected to Socialist Labour. Pat Sikorski of the Rail Maritime and Transport union executive, and Imran Khan, solicitor for the family of the racist murder victim, Stephen Lawrence.



Miners' leader Arthur Scargill at the formal launch yesterday of the Socialist Labour Party

PHOTOGRAPH: SEAN SMITH

Violence calls at clergy doorstep

James Meikle Community Affairs Editor

THE Lord is my shepherd, says Psalm 23, but Church of England vicars want better protection — such as door chains, burglar alarms and security lights. Clergy and their families are being threatened, abused and burgled by doorstep visitors after money, drink or food, a report on the mounting menace at the vicarage says. "In the last couple of years I have had about 50 callers, mostly men, and only three traditional "gentlemen of the road". They are young people with all kinds of problems, four of them have been aggressive or violent. Four were very definitely mentally ill, others in real need of medical help, and one was suicidal." Mr Hall, a former probation officer, said: "One knows the Church is seen as a place of help and sanctuary by people in need but the problems at the door today are often more intractable, difficult and potentially dangerous than they were before." Chris Brice, director of Caritas, said clergy wanted to remain neighbours rather than "professionals with clients", but frontline troops needed support. The report urges church authorities to consider sitting offices away from clergy's homes and offering training in coping with difficult callers.

Beijing mandarins fear Hong Kong chaos after handover

Andrew Higgins in Hong Kong

A SECRET Chinese report on the future of Hong Kong has warned the Communist Party to brace for riots, a slump in foreign investment and other perils when Britain pulls out next year, a Hong Kong magazine reported yesterday. An independent Chinese-language monthly, Cheng Ming, quoted what it said was a leaked Chinese document as saying Britain would play the "democracy card" to prolong

colonial influence after 1997. The internal report was said to have been prepared by China's Hong Kong and Macau Affairs Office. Its authenticity could not be confirmed, though its logic matches that of conspiracy theories aired by Beijing. It said "anti-Chinese and anti-Communist forces" in the United States and Taiwan could stir up trouble after 1997 to undermine China's stability. "Violent and armed turmoil leading to the paralysis of Hong Kong society could occur. It predicted a drop of between 20 and 80 per

cent in foreign investment. Amid fading hopes for a smooth transfer of sovereignty, the shadow foreign secretary, Robin Cook, ended a visit to the colony with a pledge to help non-Chinese ethnic minorities to secure the right of abode in Britain. He said the Labour Party would press the Government to make an "unconditional" offer of sanctuary to the 3,000-5,000 people who will be effectively stateless after 1997. But he offered scant solace for the bulk of Hong Kong's 6.4 million people, rejecting more British passports for ethnic

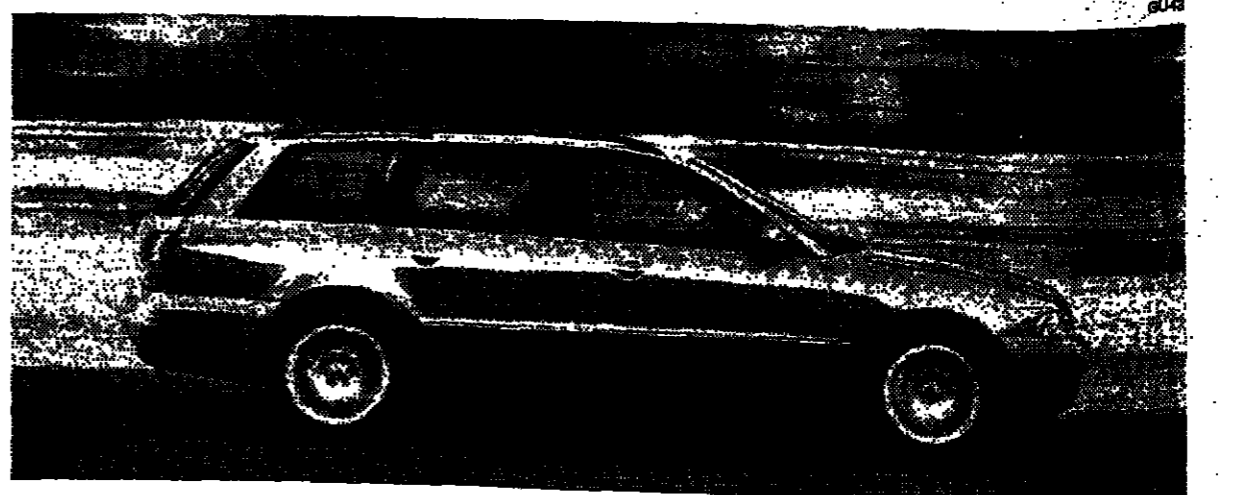
Chinese. His visit coincided with another flare-up between London and Beijing. Hong Kong's chief secretary, Anson Chan, confirmed yesterday that the colony had rejected Chinese demands for help in replacing a legislature elected under Governor Chris Patten's reforms with a body picked by Beijing. A Chinese request for a meeting room and "other necessary cooperation" for a provisional legislature was refused. "Such a body is neither necessary nor desirable," said Mrs Chan, who visited Beijing over the weekend.

Drugs and crime study wins £6m to treat addicts

Alan Travis

A GROUP of 1,100 drug addicts committed more than 70,000 crimes between them, costing their victims about £34 million over a two year period, according to research published yesterday. The study, by a Department of Health task force, acknowledged that drug treatment

programmes actually work in cutting crime. It has led to a £6 million boost for such services, including the development of heroin-substitute methadone programmes being announced by the Health Minister, John Bowis. The Task Force to Review Services for Drug Misusers, Dept of Health, PO Box 410, Wetherby, LS23 7LN, Free.



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Sullivan back from the Brit

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in brief

Table Tennis

Handwritten scribble at the bottom of the page.



A scene from the successful recent Hollywood film of Little Women

Big money rides on unknown novel by Little Women author

Ian Katz and Sarah Boseley on the multi-million dollar expectations aroused by a discovery in a Harvard library

TODD Shuster has already pencilled in Hugh Grant for the male lead. "Lord Percy's role has been written all over it. It's the kind of fable Hollywood loves."

Mr Shuster and his partner, Lane Zachary, may just be the happiest agents in America. A literary bonanza has fallen into their laps: the undiscovered manuscript of Louisa May Alcott's first novel.

Entitled The Inheritance, the hand-written manuscript lay unread in a Harvard University library for decades before it was discovered by two Alcott scholars in 1988.

The academics, Joel Myerson of the University of South Carolina and Daniel Shealy of the University of North Carolina, immediately recognised the text as a previously unknown Alcott novel but filed it away for seven years while they completed other work.

Only last autumn, when the two men began transcribing the author's famously illegible handwriting, did they recognise its potential appeal.

"It was very good," says Professor Myerson. "Not an embarrassing piece of juvenilia where you say 'Yes she wrote this, but fortunately she got better'."

Mr Shuster and Ms Zachary say their phones have been ringing off the hook with offers from publishers and studios anxious for a piece of the nineteenth century author whose commercial stock has soared since the successful screen adaptation of her best-known work, Little Women.

In 1984, Ms Zachary sold the rights to another previously unpublished Alcott manuscript, A Long Fatal Love Chase, to Random House for \$1.5 million. Mr Shuster predicts "a multiple million dollar deal" for film and publication rights to The Inheritance.

Alcott (1832-1888) was a prolific writer who turned out over 200 Gothic melodramas because they sold well, and not for any grand moral purpose or satisfaction in the writing.

She had a family to support — her philosopher father, mother and three sisters — whose real-life story Little Women largely tells. The book that made her famous she wrote to commission and reluctantly.

The newly discovered manuscript, which runs to

150 typewritten pages, has a plot that is more typical of the work of her time.

Until now, Alcott's biographers believed that Moods, written in 1864, was her first novel. But Professor Myerson and Professor Shealy found a note with The Inheritance explaining that she wrote it in 1849 and that it was her first work of fiction.

The book was not mentioned in any of Alcott's journals or letters and had apparently been mis-catalogued when the author's heirs deposited her writings

with Harvard's Houghton Library in the 1960s. The two academics stumbled over it in the summer of 1988 as they trawled through Alcott's papers while working on an anthology of her letters and journals.

They decided to photocopy the manuscript, and the text remained in a file in Professor Myerson's office at the University of South Carolina in Columbia until they began the painstaking work of transcribing it last autumn.

At the time they found the manuscript, Alcott enjoyed a

relatively small cult following, largely among teenage girls, and they imagined the novel would only be taken up by an academic publisher. But since the success of the film version of Little Women, with Susan Sarandon and Wynona Ryder, Alcott's popularity has soared.

Alcott would have been 18 when she wrote The Inheritance. Like much of her early work, it was riddled with punctuation and spelling errors. Mr Shuster, who describes it as "romantic with a capital R", believes she may

have written it merely to entertain her sisters.

Professor Myerson and Professor Shealy have agreed to share any royalties from The Inheritance with Alcott's heir, John Pratt. Mr Shuster anticipates a fierce contest when he and Ms Zachary begin offering it in Hollywood this week.

"It's accessibly written, with rich dialogue, and the scenes are set so succinctly that they are easy to adapt. There is also plenty of action, he adds. "The hero has a dramatic riding accident."



Louisa May Alcott, whose first work The Inheritance has been newly discovered

Clarke sees off sceptic attack

Larry Elliott Economics Editor

KENNETH Clarke, the Chancellor, last night defiantly unfurled the banner for the pro-Europeans in the Conservative Party with a warning that the Eurosceptics were leading Britain towards isolationism.

Giving evidence to the Commons Treasury committee, Mr Clarke mounted a vigorous defence of the principle of a single currency, arguing that monetary union was not a political issue and should be judged on its economic merits.

The Chancellor made clear his anger at rising anti-European sentiment within the party, clashing repeatedly with the two Conservative Eurosceptic backbenchers on the committee. He said he found the language of the Eurosceptics "extraordinary" and the arguments about the loss of sovereignty "bewildering".

Mr Clarke said: "All nations pool their sovereignty. No nation is a political island. We were pooling sovereignty when we joined Nato and the United Nations. We were pooling sovereignty when we signed the Treaty of Rome and the Single European Act."

The Chancellor's sharpest words were reserved for long-standing Eurosceptic Nicholas Budgen when he suggested that the "yobboes" in the party refused to be walked over by the Chancellor and the pro-single currency wing of the party.

"A lot of Eurosceptics would like to detach us from the Continent with which our well-being is inextricably linked. It would be isolationist if we followed the more extreme views. It might not be isolationist in intent but isolationism might be the consequence."

The convergence criteria laid down in the Maastricht Treaty were designed to improve economic performance and he wanted its terms on budget deficits, debt and inflation strictly enforced whether or not the Government exercised its opt-out.

"I am sympathetic to monetary union, and the better it is constructed and the more sure I am that it will work, the more I will find myself attracted to it."

Notebook, page 11

Protesters storm BAE meeting

AGM ends in chaos amid claims of murder plot against Saudi exile

Simon Beavis Industrial Editor

BRITISH Aerospace's annual general meeting collapsed in chaos yesterday after its chief executive was forced to deny involvement in an alleged plot to "kidnap or murder" the Saudi dissident, Mohammed al-Mas'ari.

Anti-arms trade campaigners halted the meeting after three hours when they pelted directors with eggs and tomatoes and stormed the podium, accusing the board of being party to genocide.

The chairman, Bob Bauman, was forced to abandon the meeting after having tried carefully to steer it through repeated questioning about the company's arms exports

to repressive regimes such as Indonesia.

The chief executive, Dick Evans, had faced detailed questioning led by Labour MP George Galloway, about his role in a campaign to silence Dr al-Mas'ari.

Mr Galloway brandished a January edition of the Guardian which revealed a memorandum from the head of Vickers, Sir Colin Chandler, detailing conversations with Mr Evans and other senior defence industry figures about plans to "stifle personally" the Saudi dissident.

"What does it mean if it doesn't mean remove from the scene by murder or kidnap?" the MP demanded.

Mr Evans said he had no knowledge of such a conspiracy. "It is preposterous to suggest that anyone like my-

self, at the head of a large public company, would involve themselves in such activities." He accused Mr Galloway of being a self-publicist.

The Government was forced last month to rescind a decision to deport Dr al-Mas'ari, who has waged a propaganda campaign against the Saudi royals from his British exile.

Mr Galloway said BAE, the main beneficiary of the £20 billion Al Yamamah arms deal, had put its future in jeopardy by putting all its eggs into the "unstable" — not to say unsavoury — basket of Saudi Arabia.

Mr Evans rebutted claims that he had put pressure on the Government to deport Dr al-Mas'ari to protect lucrative arms deals. But he said he had a duty to defend the interests of the company and its shareholders.

He refused to answer questions about the memorandum in detail, saying they should

be directed to Vickers and Sir Colin.

Earlier a lone protester — refused permission to speak because he held only a proxy card for the meeting — was forcibly removed when he tried to walk to the directors' podium to make a "citizen's arrest" of the board.

As the meeting became more ill-tempered, security guards swamped the auditorium and removed a further half-dozen protesters amid scuffles.

Mr Bauman acknowledged that some small shareholders had genuine concerns about arms exports, but the Government set export guidelines which the company strictly observed. "Individuals must take their concerns to the Government," he said.

He refused to provide shareholders with a full copy of BAE's code of ethical conduct for employees in arms sales, but promised to furnish them with extracts.

Schoolgirls accused of killing pupil

continued from page 1 tated. Louise was a lovely, bubbly girl with a very wide circle of friends.

"She was an extremely popular member of her form. The girls in her class have had their lessons suspended for the day though we will try to get them back to normal as soon as possible."

Counsellors are helping staff and children come to terms with the death.

The Rev Niall Sheridan, chairman of the school's board of governors, said



Floral tributes at the scene of the attack

Louise's father, a lorry driver, was away from home when she was attacked.

Neither parent made any comment to the press yesterday. "Both parents were in the hospital sitting at the bedside and holding her hand,"

said Rev Sheridan. "There's no bitterness, no rancour." A neighbour of the family remembered Louise as "fun-loving and full of life like most teenage girls".

In the local newspaper's Fay McClain often served Louise.

"I've never heard of any squabbles around here between girls, it's normally boys who do the scrapping between different estates." Several youngsters claimed the arrival of the annual fair in town was often the sign for local rivalries to erupt.

Residents insisted Corby was no more violent than other towns of its size. Rev Sheridan said: "I don't think there is a culture of violence. No one set out on Monday night to kill anybody. Incidents like this happen in every town in every corner of every land."

A memorial mass for Louise is due to be held at the school today.

Women on the verge, G2, page 5

If you were thinking of writing poetry, don't; you'll probably have a stable marriage but have severe manic depression. If you're a playwright, you'll almost certainly become an alcoholic with "a problematic or broken marriage".

Philip Hensher, page 9

Dixons

The Link

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4 BRITAIN

Tories round on Hogg for failing to win beef pledge

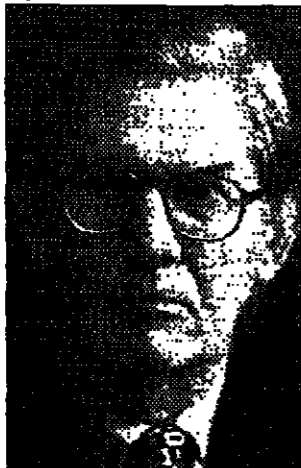
Rebecca Smithers
Political Correspondent

FURIOUS Tory backbenchers attacked the Agriculture Minister Douglas Hogg in a fresh anti-Europe backlash yesterday, after he failed to win a date for the lifting of the European ban on British beef during a two-day meeting in Luxembourg.

Mr Hogg tried to reassure MPs in the Commons by announcing that the delayed slaughter scheme for cattle over 30 months old will start today, and that the Government was pressing ahead with a legal challenge to the ban in the European Court of Justice.

But a stream of Tories, including a number of leading Eurosceptics, urged Mr Hogg to threaten retaliatory action with a ban on European imports or withdrawal of EU contributions if the ban is not lifted soon. They also told him not to give way to Brussels' demands for stricter measures.

In his Commons statement, Mr Hogg hinted that the ban on tallow, gelatine and semen might be lifted shortly, although a complete end to



Bill Cash... urged suspension of EU payments

the ban was still the Government's priority. He said the legal challenge would be lodged shortly. As far as the Government's proposal for a selective cull was concerned — involving up to 42,000 animals in herds where traces of BSE had been detected — Mr Hogg alarmed Tory backbenchers by saying the European agriculture council had suggested "additional measures" might be needed on herds with large-scale mad

cow disease. He told MPs that a scheme for the slaughter of young male calves had been in force since April 22 and that the scheme for the disposal of cattle over 30 months would start today. Mr Hogg said that more than 60 abattoirs and 80 markets across the UK would act as collection centres, although there are fears that the scheme will be seriously delayed because of the logistical problems involved in slaughtering up to 15,000 animals a week.

Paul Marland, the Tory MP for Gloucestershire West, and chairman of the Conservative backbench agriculture committee, accused European countries of "blatant disregard" of scientific advice and questioned whether they had a "hidden agenda".

To loud cheers, his colleague David Nicholson urged Mr Hogg to consult with the Cabinet "about how much further we can go from the very selective slaughter policy you have proposed — because I don't think this side of the House would back such a progress — and what other measures we need to take to safeguard our national position".

Bridlington's John Townsend demanded a time limit

on the ban and suggested a threat of retaliatory action "if the ban is not lifted in three or four weeks".

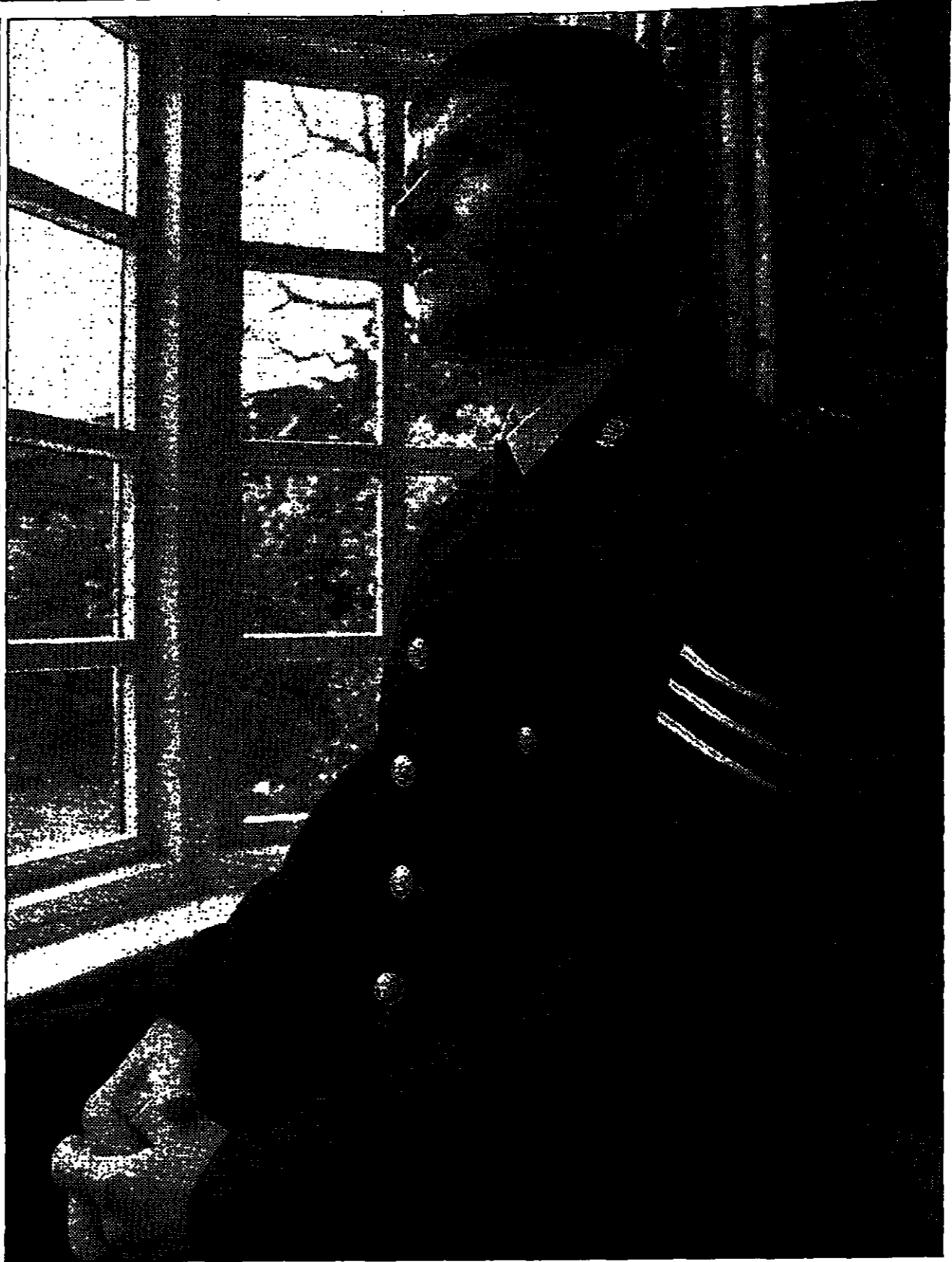
Leading Eurosceptic Bill Cash called for the suspension of Britain's payments to Brussels while senior right-winger Sir Ivan Lawrence called on the Government to ban imports of French and German beef to compensate for the lost exports.

Nicholas Eridgen (Wolverhampton SW) warned the Government's plan for a selective cull would fail to get support in the Commons.

MPs from all parties criticised the Government for failing to give farmers details about the cull of older animals, which should have started on Monday.

Labour's agriculture spokesman Gavin Strang said that "huge uncertainty" surrounded the scheme, and the Government's failure to put it in place on time had weakened Mr Hogg's negotiating position in Luxembourg.

Paul Tyler, the Liberal Democrats' agriculture spokesman, said the "sabre-rattling" of back-bench Eurosceptics and the interference of some Cabinet members had undermined Mr Hogg's European negotiations.



Bernard McEldowney: 'I realised being gay isn't an issue and shouldn't be'

PHOTOGRAPH: MIKE SCOTT

Toxteth man killed on anniversary of gangland murder

David Ward

A MAN was shot dead in a betting shop in Toxteth, Liverpool, last night, exactly a year after the murder of gang leader David Ungi prompted a long series of firearms incidents on the streets of the city.

The man, so far unnamed, died instantly after he was shot in the head at close range by a lone gunman. Ambulance staff held back until

they could be given an armed police escort.

There was a major police presence in the area at the time of the shooting because of tension between rival gangs on the first anniversary of the death of Ungi.

A spokesman said: "A black man has been shot dead in a betting shop in Granby Street. The body has been taken to the Royal Liverpool university hospital where a post mortem examination is being arranged."

The killing came less than an hour away from the exact anniversary of the murder of Ungi, who was killed in North Hill Street, half a mile from the betting shop.

Six weeks before Ungi died, John Phillips walked free from court having spent several months in custody charged with the attempted murder of Ungi in 1994. The trial ended when a witness was unable to identify him.

Five weeks ago, Mr Phillips was shot four times in Toxteth in front of his three-year-old daughter and wife Maria. He survived but is still in hospital.

The recent spate of shootings in Liverpool began on April 13 and has included the attack on Stephen Hardy, a 26-year-old off-duty policeman with no links to Toxteth. It is presumed to be a case of mistaken identity.

Last night Merseyside police opened a hotline for information on the betting shop killing: 0151-777 5351.

Gay sergeant makes case for coming out as force for change

Duncan Campbell on a TV revelation

A GAY police sergeant who has concealed his homosexuality from colleagues for 14 years will tonight "come out" on television.

His move, welcomed last night by his senior officers, is the latest sign of the growth in "out" gay officers.

Sergeant Bernard McEldowney, aged 38, based in Birmingham with the West Midlands police, said yesterday that there was a large number of gay and lesbian colleagues who were still reluctant to be open about their sexuality, partly because of the "immaturity" of colleagues.

"Initially I thought there was no way I could put myself forward in public and

downey, who joined the West Midlands police in 1982 and is now a sergeant in charge of a community sector.

"Then I realised that being gay isn't an issue and shouldn't be."

Mr McEldowney, originally from Northern Ireland, appears on tonight's Crime Stalker programme on ITV talking about the relationship between the police and the gay community.

"For the first seven years of my service, I had no contact with the gay community," he said. "Then I slowly started going out on the gay scene and I became more confident when I realised gays come from all walks of life."

He said he had experi-

enced no negative feedback from those officers who knew of his decision although lesbian colleagues had had problems "because of some of their more immature colleagues" and had been unwilling for this reason to appear on the programme.

There are now more than 200 members nationally of the Lesbian and Gay Police Association (LAGPA), with more than 100 members in London and around 25 in the Midlands. Mr McEldowney said that this represented only a small proportion of lesbian and gay officers.

Superintendent Bill Guest, deputy head of community services at West Midlands police, last night backed Mr McEldowney: "A person's sexuality is a private matter and we respect his decision." The climate had changed in the last 10 years both within the police service and amongst the general public.

A spokeswoman for Gay London Policing (GALOP) commended Mr McEldowney on his decision, saying that there was still an under-reporting of crimes committed against the gay community because of a lack of trust of the police. Two police forces, Sussex and Greater Manchester, now advertise in the gay newspaper, The Pink Paper.

Other forces are considering such a move.

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... child
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Exclusion
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July 20 1996

Zulu child must return to parents

Gary Younge

AN Afrikaner woman who has been fighting for the right to adopt a Zulu boy failed yesterday in the Court of Appeal to prevent his return to his natural parents in South Africa.

The woman, known as Mrs S, applied for a stay to block the 10-year-old boy's removal so she could appeal to the European Court of Human Rights.

But Lord Justice Neill, sitting with Lord Justice Ward, refused the application. "Distressing though this order is, it would not be right to postpone the matter further. I have no doubt whatever that this application should be refused," he said.

The court confirmed that the child, who is a ward of court and can be identified only by the initial "P" until he leaves Britain, must return to his natural parents in Lebon, in the Transvaal.

Mrs S, a British subject of Afrikaner origin, had brought P to London in 1982 intending to become his legal parent so he could join her family.

P's natural mother, who used to work for Mrs S as a housekeeper and nanny, signed a document which gave permission for him to go to Britain where the woman told the immigration authorities she was going to adopt him. Mrs S had said she wanted to make P a member of her family, to accommodate him her home in Maida Vale, west London, and eventually have him educated at a leading British school.

But when the natural mother was interviewed by a social worker in South Africa she said she did not want her son adopted and wanted him back with her. When she

signed the document for her former employer, it was only so his name could be entered on her passport. She expected him to return within five years.

Allan Levy QC, appearing for Mrs S, told the judges today that she wished to challenge the ruling in the European Court of Human Rights on the grounds that her family rights had been infringed.

Patricia Scotland QC, acting for P's natural parents, said the application was hopeless. She said the whole nature of the application was focused on the interests of Mrs S and her family life, rather than the child's.

"This is another attempt by the applicant to try and forestall what is the inevitable."

Last Friday three law lords backed the appeal court's original ruling in March that P must leave. During the last appeal hearing it was noted that "P had lost his ability to speak Zulu and his links with his homeland were growing more tenuous."

"It is against this background that one must try to reach a conclusion in this very difficult and anxious case," said Lord Justice Neill at the time.

"Anyone who has studied this case cannot fail to have great admiration for the appellant and for the love and affection which she and her family have given to P since he was a baby. But he has the right to be reunited with his parents and with his extended family in South Africa."

Both sides agree that the details of how and when the boy will leave the country should be secret, but he is expected to depart within a matter of days.

His natural mother is expected to travel to Britain to collect him.



The Stephen Joseph Theatre's new venue in Scarborough, North Yorkshire. The former Odeon cinema opened last night with the musical *By Jeeves*, a collaboration between playwright Alan Ayckbourn, who is also the theatre's artistic director, and Andrew Lloyd Webber. The old venue was a redundant boys' grammar school. PHOTOGRAPH: DON McPHEE

RAF to leave Germany after 50 years

Faults on Polaris submarines leave two-year nuclear 'gap'

David Fairhall
Defence Correspondent

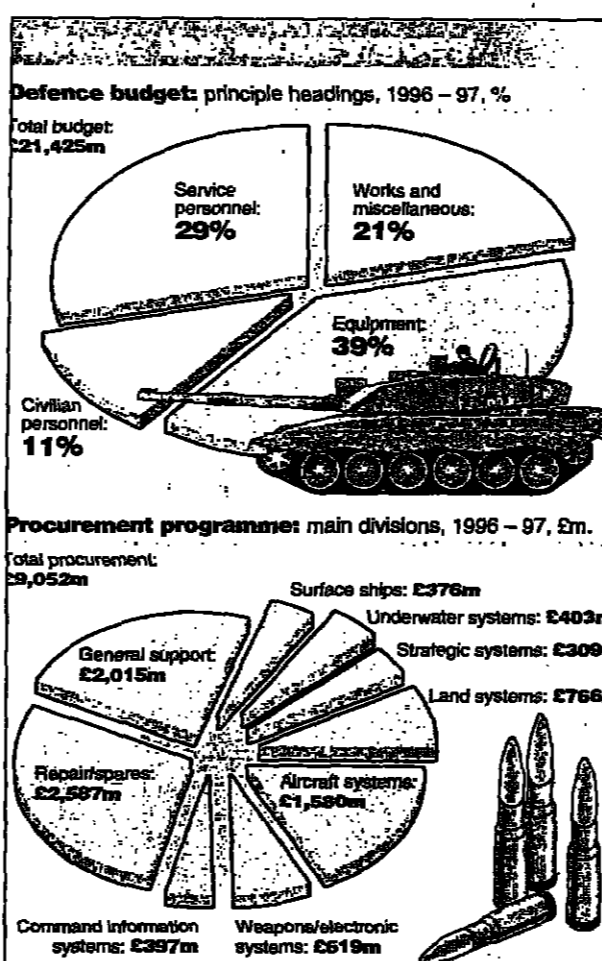
THE last four RAF squadrons in Germany are to be pulled out, ending a deployment that began in post-war occupation more than half a century ago. RAF Bruggen, the only British air base remaining from the five established in Germany at the end of the second world war, will close in 2002.

The departure is prompted partly by the German population's refusal, now the Soviet threat has been removed from its eastern borders, to allow the RAF's Tornados to practise low flying. Nor will the Germans tolerate British 60-tonne Challenger tanks — many of which will remain there for the foreseeable future along with 27,000 ground troops — ranging over their countryside in the way they used to.

However yesterday's decision yesterday's defence white paper, in which the RAF withdrawal was announced, confirms plans for British forces to carry out manoeuvres deep in eastern Europe, on tank ranges formerly used by Soviet troops.

In September, armoured units will deploy to the Drawsko Pomorskie range in western Poland, while the Royal Welch Fusiliers will exercise on the Lvov training area in Ukraine.

Both countries are happy to accept the environmental disturbance in return for hard currency. In Poland's case, making western forces welcome is also a means, with



the despatch of peacekeeping forces to Bosnia, of establishing credentials for early membership of Nato.

The disclosure that the Royal Navy's Polaris nuclear deterrent patrols are to end this year, two years before the next of the new Trident missile submarines, HMS Vigilant, is ready for sea, is also buried deep in the white paper. It means that until 1988 only two submarines will be available to maintain nuclear

Nato countries, 1995, \$US.

| | |
|-------------|-------|
| US | 1,048 |
| Norway | 863 |
| France | 820 |
| Denmark | 600 |
| UK | 577 |
| Netherlands | 527 |
| Germany | 509 |
| Greece | 481 |
| Belgium | 455 |
| Luxembourg | 385 |
| Italy | 349 |
| Canada | 310 |
| Portugal | 285 |
| Spain | 216 |
| Turkey | 97 |

ing, said yesterday there was no doubt about providing the strategic deterrent with just two Trident boats until the other pair are completed, in 1998 and around the turn of the century.

But the field marshal's words could be used as evidence by an incoming Labour administration to challenge the defence ministry's insistence on building four Trident boats at a cost of £10 billion when continuous patrols could be maintained by three submarines — or for a short period, as now, by only two. The fourth boat is essentially an insurance policy against accident.

Yesterday's white paper lays out for Parliament the Government's justification for spending £2,426 million on defence this year. The fore-

Former SAS men could face MoD gag on memoirs

David Fairhall
and Richard Norton-Taylor

FORMER members of the SAS making their fortune from books about secret operations in Iraq and elsewhere have been warned that the Ministry of Defence will use "all appropriate legal options" to prevent them disclosing sensitive military information.

Abandoning its habitual secrecy about the SAS, the Special Boat Squadron, and other special forces, the ministry used the white paper to remind former members that operational security was fundamental.

The Defence Secretary, Michael Portillo, said soldiers' lives could be put at risk by revealing their covert methods. "If we are not able to arrive at an agreement, then we will use the law to protect the lives of these very brave people."

A spate of memoirs included Sergeant Andy McNab's best-selling *Bravo Two Zero*, a lurid tale of operations behind Iraqi lines. Legal options available to the ministry include prosecution under the Official Secrets Act or civil actions for breach of confidence.

However, the High Court dismissed a government attempt to seize royalties owed to George Blake, the double agent, for his memoirs, saying that preventing Blake gaining financially was "an interference with his rights of free expression".

Exclusion row head blames 'forked tongue'

John Carvel
Education Editor

THE Tyneside head teacher at the centre of a row about an excluded 2-year-old yesterday blamed the Government for operating a "forked tongue policy" — demanding higher standards in education, but stopping schools taking the steps necessary to instil good behaviour.

Madeline Watson, head of Leburnn comprehensive, was speaking about the statement which has kept one of her pupils out of the school since yesterday, despite a decision by an independent appeals panel in December that his exclusion could be overturned.

Staff in the National Association of Schoolmasters' Union of Women Teachers voted against teaching Graham, alleging that he attacked a teacher. But his parents rejected the offer of a special education programme which would have kept the boy in isolation from other pupils.

As the governors prepared for a special meeting to break the deadlock, Mrs Watson said she accepted the principle that teachers could refuse to teach violent pupils.

"There is, however, a wider issue which needs to be addressed by the whole teaching profession. That is the forked tongue policy of the present Government which, with one tongue, instructs schools to raise standards in education. Meanwhile the other tongue dictates legal procedures that effectively remove from schools the power to lay foundations for good behaviour."

"Such foundations are essential for building an orderly environment which the vast majority of parents expect and in which teachers may teach and children may learn without disruption or threat to their safety", she said.

South Tyneside local education authority yesterday warned the governors that they were legally obliged to readmit the boy, but their meeting to discuss the case ended with no sign of a break in the deadlock.

Robin Squire, the schools minister, has published plans to let schools put pupils in detention after normal school hours, even if parents object. The Government is also reconsidering parents' right to appeal against expulsion after the re-instatement of a pupil in Nottingham last month almost sparked a teachers' strike.

More than 650 pupils were led to safety within three minutes of a fire which spread rapidly after an explosion in a technology block at a comprehensive school in Runcorn, Cheshire, writes David Ward.

Fifteen fire engines and 70 firefighters pumped water from a swimming pool at a nearby recreation centre to put out the blaze at Brook Vale school but at least a third of the two-storey building was gutted.

The cause is believed to have been an exploding acetylene cylinder stored in an area used by a carting club.

Two 18-year-old pupils raised the alarm and 44 teachers managed the evacuation of the building.

No one was injured but damage is estimated at £2 million.

Oxford reprieves plans for 'bleak' development that threatens city's 'dreaming spires'

Simon Jones

OXFORD city council has reprieved plans for a giant leisure complex in the city's historic centre. If it goes ahead, the famous "dreaming spires" skyline will be permanently changed.

The £17 million scheme, on land close to the medieval colleges and churches, has been criticised by the Royal Fine Art Commission for its "general bleakness". It includes a nightclub for 1,800 people, a 10-screen cinema, bingo hall, five restaurants and pub.

The plan has been fought

for many months by residents, conservationists and architects, who say it is too big, too tall and too ugly. They fear it will increase Oxford's street violence and drug-related crime.

Sandra, a residents' association set up to fight the scheme, claims 1,288 objec-

tions have been made. Despite this, councillors have narrowly voted to reprieve the scheme — which planners had thrown out — to allow Penttila, the developer, to make changes.

Although the Labour-dominated council has yet to give final approval, opponents fear

the plans will survive essentially unchanged. A powerful incentive is the £5 million which Penttila has agreed to pay the council for the site.

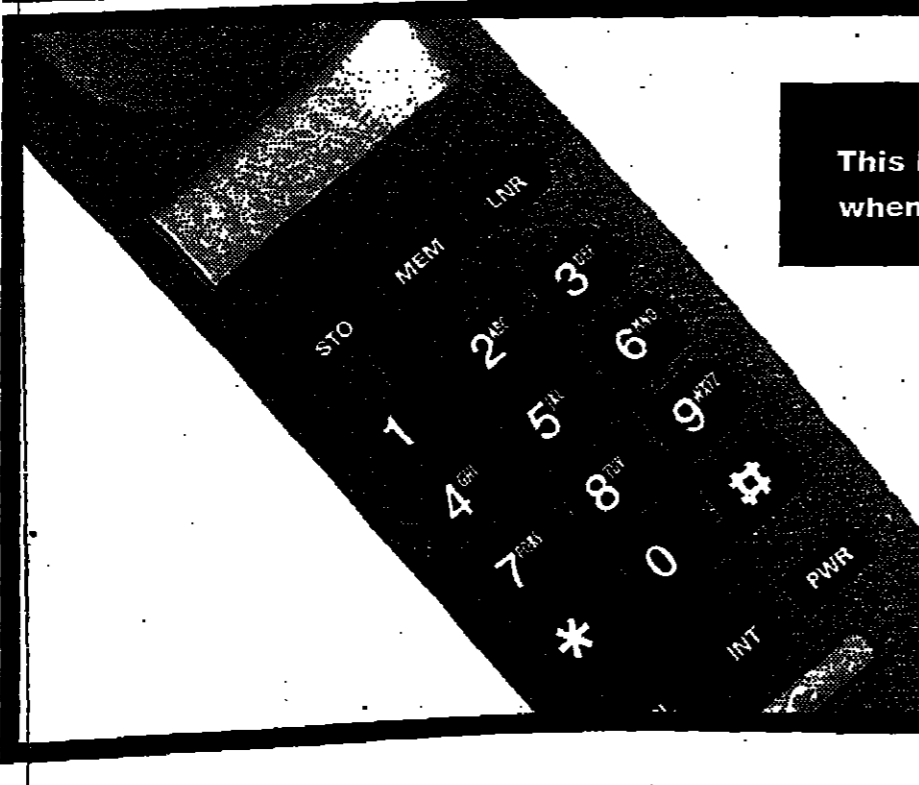
Bernard Roe, Sandra's chairman, said: "We sympathise with the council's lack of money, but don't feel such a monstrous scheme should

be foisted on the people of Oxford." The council has not tested public opinion.

Nick Penttila, the managing director, does not rule out redrawing the plans to secure the Fine Art Commission's endorsement. He is confident of starting work by the summer, and opening within the year.

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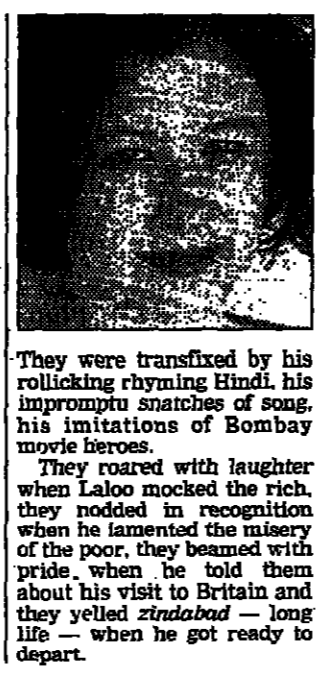
6 WORLD NEWS

Riding the storm with the wizard of Bihar

THE cows and goats galloped off to the right, and an army of children swarmed in from the left, led by a little girl in a ragged blue dress. Laloo's helicopter had arrived.

When Laloo, as he is universally known, stepped up to the wooden stage and faced a sea of expectant faces, it was as a man giving the down-trodden the dignity they have for centuries been denied.

They were transfixed by his rollicking rhyming Hindi, his impromptu snatches of song, his imitations of Bombay movie heroes.



Suzanne Goldenberg accompanies Laloo Prasad Yadav as he works his magic on rapt audiences in one of India's poorest states

ready? Don't worry, brothers, it doesn't matter." By the time the helicopter whirred again, the people were coming, running across the fields from every direction.

On board, Laloo kept his strength up with tobacco, which he rubbed into a paste on his palm, and *paan*, a betel nut. He spoke about his dreams for Bihar, punctuating the conversation by sending great jets of saliva into the stainless steel spittoon at his feet.

We got on board, but it was getting late, and a summer storm was brewing. Daylight fled. We flew through the rain over high red mountains covered with trees, the helicopter buffeted by strong winds. Laloo flicked his hands pale-side up.

Silent Australia mourns massacre victims

FERRIES stopped in Sydney Harbour, the Stock Exchange suspended trading, and traffic came to a standstill as Australia observed a minute's silence yesterday for the 35 killed in the Tasmanian massacre.



Quiet contemplation... Thousands attended a memorial service in Hobart for those massacred PHOTOGRAPH: RICK RYCHOFT

Dole asks Gingrich to heal abortion schism

SENATOR Robert Dole, lagging more than 20 points behind President Bill Clinton, has turned to Newt Gingrich, Speaker of the House, to invigorate his faltering campaign.

be trapped in an ideological civil war, rather like the Democrats' struggle over the Vietnam war, which exiled them from presidential politics for a generation.

Mr Dole will need a triumph at the convention to reverse the polls, but San Diego, on the Californian coast, is the stronghold of Mr Wilson, who was once its mayor.

News in brief

US edges closer as Liberian warlord advances on rivals

US WARSHIPS defending their embassy in the Liberian capital moved closer to the shore yesterday while Krahn warriors advanced on rival militia.

US names Iran on state terror

Iran was yesterday named the main "state sponsor of international terrorism" by the United States, which cited Tehran's alleged support for groups from north Africa to central Asia.

'Dead' rebel speaks out

THE Chechen rebel leader, Zelimkhan Yandarbiyev, in fighting spirit and good humour, dismissed reports of his death yesterday.

Chain blackmail

A blackmailer has attempted to extort more than DM1 million (£435,000) from a German retailer by setting off explosions in supermarkets.

Peking Man ages

Scientists in California and China say a set of fossils known as Peking Man is at least 100,000 years older than believed.

Soft landing

A depressed Romanian who survived a jump from a 10-storey building after taking 50 tranquillisers is looking for a better way to kill himself.

Within four years, the Luards' middle-class, bohemian existence changed for ever: their eldest daughter, Francesca, was diagnosed HIV positive.

Angela Neustatter

Washington rots as mayor seeks 'spiritual fortification'

MARION BARRY, the mayor of Washington who was re-elected despite being imprisoned after the FBI videotaped him smoking crack cocaine, denied reports yesterday that he had relapsed into drug and alcohol abuse.

Mob violence stalks Kenya

THE Kenyan government has published a 40-page dossier defending its human rights record. The report comes as Kenyan human rights groups grow increasingly vocal about a rise in mob violence and a breakdown of law and order.

Greg Barrow in Nairobi reports on the government's defence of its record

aged 19, is still being treated for burns he received when a crowd of angry people accused him of stealing the purse of a woman waiting at a bus stop in central Nairobi.

Burundians flee

The main road out of Burundi's capital reopened yesterday, and aid officials said 2,000 Burundians had fled into Zaire to escape violence.

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July 20 1990

Thursday May 2 1996

ihar

Peres denies French friction

Marie-Benedicte Alleix in Paris

ISRAEL'S prime minister, Shimon Peres, yesterday played down friction with France over the US-brokered ceasefire in south Lebanon. "There is no contradiction between Israeli and French policy," he said after lunch with President Jacques Chirac. "We both hope that the Lebanese regain their political independence and their territorial integrity," he added, during a six-hour stopover on his way back from the US.

The French foreign minister, Hervé de Charette, has claimed that 80 per cent of the ceasefire deal was based on French ideas. During the crisis, diplomats said Israel favoured Arab states.

In Washington, meanwhile, President Clinton gave the red carpet treatment to the Palestinian leader, Yasser Arafat, to thank him for deciding to drop a long-standing call for Israel's destruction.

Mr Arafat won no new pledges of US aid but President Clinton did promise to work to persuade donor nations to honour \$2.4 billion (£1.6 billion) in pledges to help Palestinian economic revival. — Reuter.



War game... Ahmed Ganeem, aged four, plays in Qana, south Lebanon, a day after the village buried 83 refugees killed by Israeli shells on April 18. PHOTOGRAPH AHMED AZAVOR

Yeltsin drops pledge to stop capital punishment as crime mounts

Europe slates rising use of Russian death penalty

David Hearst in Moscow and John Palmer in Brussels

ALARM is mounting among some of the 38 member states of the Council of Europe at a steep rise in the use of capital punishment in Russia, in defiance of promises the country made when it joined the council earlier this year.

President Boris Yeltsin has ordered an unprecedented number of executions of criminals found guilty of a capital offence, in response to popular clamour to get tough on crime.

In the first three months of this year alone, he refused a reprieve to 46 people. Most or all of them have been executed. Three years ago, only four people were executed out of 153 cases referred to him for reprieve.

The increasing use of the death penalty — delivered by a bullet in the back of the head — is placing Russia in breach of its obligations as a recent member of the Council of Europe. Moscow undertook to impose a three-year moratorium on state executions, pending the abolition of the death penalty.

The Russian foreign minister, Yevgeni Primakov, will face tough questioning when he meets foreign ministers from other council countries in Strasbourg today.

"Russia entered into a number of important commitments on capital punishment and other human rights reform issues when it was admitted to the Council of Europe in January," a council spokesman said in Brussels yesterday.

"These alarming reports, suggesting that far from suspending executions they are being used with increasing frequency, are certain to be examined very closely," Professor Sergei Vitain, a senior member of a commission which make recommen-

I will end criminality in 10 days. I would order all criminals shot. Vladimir Zhirinovskiy, leader of the Liberal Democratic Party

The death penalty is applied in more than 100 countries, including . . . 12 member states of the Council of Europe.

Yuri Skuratov, prosecutor-general

killings has fallen to as little as 130 — a week's wages for many Muscovites. The latest victim was Dmitry Nechayev, the prime minister's doctor, who was shot twice in the head. Such cases are inflaming public opinion.

With law enforcement agencies under heavy pressure to get results, prisons are overcrowded. Mr Yeltsin recently increased to 30 days the period a suspect can be detained pending a decision by the prosecutor-general.

Lev Razgon, a former Gulag prisoner who is on the commission, wrote in the Izvestia newspaper: "The number of people facing the death penalty is growing. There is no place to keep them, and the problem is being resolved by mass executions, according to many people in the juridical system. A bullet is cheaper than building new prisons. As long as the moratorium required by the Council of Europe is not introduced, the machine sending people to their deaths will be working overtime."

There is also concern in the Council of Europe at the role of the Russian forces in the Chechen war. When it joined the council, Russia promised a total ceasefire and immediate talks with Chechen leaders on a political settlement.

| HOPES DENIED | | |
|----------------|-----------|----------|
| | Reprieved | Executed |
| 1985 | 5 | 404 |
| 1986 | 12 | 177 |
| 1987 | 10 | 130 |
| 1988 | 9 | 88 |
| 1989 | 4 | 78 |
| 1990 | 12 | 72 |
| 1991 | 37 | 15 |
| 1992 | 55 | 1 |
| 1993 | 149 | 4 |
| 1994 | 154 | 19 |
| 1995 | 5 | 26 |
| 1996 (to date) | 0 | 46 |

Or the commission is very strongly criticised in the press, especially the provincial press, for trying to make the punishment less severe. The local press is clamouring for greater punishment — the crueler, the better. There is a widespread belief that the more severe the punishment, the more effective the fight against crime."

Police detectives in Moscow say the price of a contract

Triple killer condemned to die in US 'is mentally impaired'

Christopher Reed in Los Angeles

DEFFENCE lawyers making a last-minute appeal for a condemned triple-murderer in California say prison officials withheld vital mental health documents for 12 years.

Keith Daniel Williams has been on death row for 17 years, and is to die by lethal injection tomorrow. In 1978 he shot dead two brothers when they refused to return a \$1,500 (£1,000) bad cheque he had written for their old car. He then kidnapped a woman and shot her in the head while raping her.

Williams, now 48, displays symptoms of a condition commonly associated with sudden senseless killing, foetal alcohol syndrome. It is an impairment of the brain caused by excessive drinking during pregnancy.

He was frequently beaten by his stepfather and suffered head injuries in adolescence in three accidents. This history is classic among condemned men in the US, but is usually ignored in the current mood for more executions.

In Williams's case, evidence of serious mental impairment emerged only two weeks ago, when prison officials turned over 595 pages of documents which had first been requested in 1964. The Bureau of Prisons had maintained they did not exist.

Richard Mazer, the defence attorney, said Williams was in prison before the murders he received medication and was a model prisoner. After his discharge, the treatment abandoned, he committed the murders.

got on board, but it was late, and a storm was brewing. Dapling We flew through the high red mountains of with trees, the pilot coped with strong winds. He picked his hands peat...

ch to hism

lence enya

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A mock general election
Today's polls should be a verdict on John Major

IT IS easy, but wrong, to belittle the role which the annual local elections play in this country's democracy. True, local government ought to be so much more vital to community life than it has now become. True, it is a shadow of the system built and bequeathed with such justifiable pride by the Victorians. True, it has been chopped, changed and manipulated in shameful ways, so that those who understand the system are increasingly outnumbered by those who are bewildered by the process of change.

booths today — and all who can vote should do so — need to recognise that they have the future of the Conservative Party in their hands. This is not a general election, but it is by far the most important exercise of popular political choice this side of the general election. People do not often have such power, but they have it today.

It has become fashionable in Westminster to say that the Conservative Party has long ago discounted the results. This is not true. The truth is that the Conservatives are frightened about them and are trying to put a brave face on the expected humiliation. Don't forget that last year's elections precipitated Mr Major's put-up-or-shut-up leadership election. His victory last July was supposed to be the start of a new phase, in which the Conservatives gradually began to turn the bad poll results around. These 1996 elections were to be a key step in the rehabilitation. If they turn out to be no better than 1995, or maybe even worse, then Mr Major's strategy will have failed.

That is why the Conservative Right, and their supporters in the press, have now started to harass Mr Major once again. That is why the party of government has begun to be so flaky, and why a few have begun to flirt with glamorous alternatives on offer from various rich grocers. Who knows what other dark mischief is now afoot in the party? But it will only happen if the Conservatives get the drubbing which they deserve today. It will be hard luck on some perfectly decent Tory councillors who have tried to do the best they can in a situation they dislike. But the important thing today is to vote them all down, by the best means available.

That is why, however much one may wish it otherwise, today's polling in English local authorities has become another referendum on John Major's government. People who go to the

Handguns must be banned now

This is an area where it is right to move speedily with the tide

A MIRACULOUS conversion occurred yesterday. The Unmagnificent Six appeared to be metamorphosing into the Responsible Sextet. No other group of ministers in the current government has been so ready to shoot from the hip as the current Home Office gang. Years of patient legislative preparation by predecessors has been cavalierly torn up, shredded and tossed aside by the Michael Howard band. Yet yesterday one of the most unreconstructed members of the team, David Maclean, who is so ready to resort to knee-jerk reactions he is rarely let out, spoke out against knee-jerk legislation. What's going on? Would Billy-the-Kid give up guns? In fact guns provide the explanation. Six weeks on from the killing of 16 children and their teacher at Dunblane, ministers have already begun to fudge on tighter gun control. Doubtless should listen to David Mellor, a former Conservative Home Office minister at the time of the Hungerford shootings, who rightly warned yesterday of time running out on gun law reform. No one is more familiar with the way the British gun lobby is able to prevaricate and delay legislative change.

ment to determine." And so say all of us. Or almost all except the Home Office ministers involved. David Maclean defended the delay by insisting "all the main parties have said we must resist knee-jerk legislation."

Of course it was right to set up the Cullen inquiry. Of course it is right for ministers to submit evidence. But ministers do not need to wait for Cullen to take action on guns. Indeed, if they were serious about tighter controls, they would have acted this session. By waiting for Cullen they will inevitably miss the chance this side of the next general election. Gun control is one issue where ministers do need to move with the tide. Once missed, it is much harder because although the British gun lobby is not as formidable as its American cousin, it remains a powerful body. This is why so many gaps remain in our current controls. Take the biggest one of all: in 1988, as a response to the Hungerford shootings, semi-automatic rifles were prohibited but handguns, most of which are semi-automatic, were not. Yet handguns were also used by Michael Ryan at Hungerford — and Thomas Hamilton in Dunblane — to commit their grisly murders. In at least one respect handguns are even more dangerous than rifles — the ease with which they can be concealed. Just like a rifle, they are capable of rapidly firing a large number of rounds without reloading. We should not need to wait for Cullen. They should be banned forthwith.

An English metaphor on the bench

Glenn Hoddle is obviously the man to rout the Eurosceptics

ANYONE who saw Glenn Hoddle in his footballing prime will know that he was one of the most gifted players of any era. The England team of the 1980s should have been built around his skills, as the Tottenham side was. Now the England team of the 1990s will have the chance that their predecessors were denied. Great players do not necessarily make great managers, of course. Sir Bobby Charlton found that out the hard way and few people would claim that Paul Gascoigne, undoubtedly the best English footballer of the 1990s, possesses ideal management qualities either. But Mr Hoddle has shown that he does. He is the right man for the job.

tional football, rather than dismissing it as inherently inferior to the sacred English game. In football terms he is a pro-European rather than a Eurosceptic, and a moderniser rather than a traditionalist.

The choice of Mr Hoddle is another tacit recognition that England needs to adapt to succeed. England cannot pretend to a divine right to win merely because it is England. That pretence was punctured after the second world war and was followed by an attempt to go European. But the old ways were strong, and many believed in the 1980s that a return to a go-it-alone approach would bring back the glory days. Many still do, and there is a minority of English nationalists on the sidelines whose hatred of foreigners blinds them to the reality that our future is European. Mr Hoddle disagrees. That's what will make him a good English manager — as well as a good English metaphor.



Letters to the Editor

Euro-splits among the left

SHAUN SPIERS'S argument that the forward march of Europe should be halted is wrong in its diagnosis and hence its prescription (EMU that won't fly, Arena, April 29). The job of politicians is to answer the questions the world puts to our society, not to wish them away. I'm afraid that is exactly what the Eurosceptics are doing.

FOR too long the debate about Europe has been dominated by a nationalist thesis and an internationalist anti-thesis. So Larry Elliott's article (Is it 'auf wiedersehen, pet, the Project's not on?', April 29) usefully made the point that you don't have to be xenophobic to be against economic and monetary union — just someone who has noticed that adherence to Maastricht-style monetary criteria in France and Germany have gone side by side with mass unemployment.

The reality is that European integration is driven by economic forces over which politicians have little or no purchase. The single market is the product of decisions by thousands and thousands of individual managers, entrepreneurs, scientists and engineers who have recognised that, to compete with Japan and the US, we need a domestic market at a European level of aggregation.

Without a constructive alternative to EMU and Maastricht, the Left risks having nothing to offer once events start to vindicate the prediction that EMU will do more harm than good to the cause of European understanding. Walter Calms, Broomhurst Hall, 856 Wilmslow Road, Manchester M20 8RP.

EMU but the truth is that, in practice, only a small group of countries which are already in a de facto Deutschmark zone (eg France, Germany and the Benelux countries) can realistically join EMU in 1999. And Britain could survive perfectly well outside that group. Depressingly, the TUC, in a complete collapse of intellectual self-confidence, refuses to face the deflationary facts about Maastricht and is content to parrot the fashionable view that it is the answer to Britain's long-term economic decline.

THOSE who have flinched from making a serious challenge to EMU for fear of siding with the Teddy Taylors and Teresa Gormans of this world have ended up aligning themselves with the forces of European deflation as laid down in the Maastricht Treaty. Thus many of those who spent the eighties fighting monetarism in Britain entered the nineties supporting it at the European level.

On the question of God, and what she wants from us

GEORGE Austin yet again seems to play his role of the intolerant cleric of a certain age who can't cope with change in the liturgy and language of Christianity (Rebuilding Jerusalem for our times, April 30). Inclusive language for many of us is not a joke but a life-giving and affirming way of speaking about God and each other.

WHY on earth does George Austin assume that the ultimate being has a long white beard and, no doubt, a wily? Something that convinces me God must have a sense of humour is the fact that she never lightning-blasts the pompous nitwit who presumes to tell her what she is, what she thinks and how she ought to behave.

Without a constructive alternative to EMU and Maastricht, the Left risks having nothing to offer once events start to vindicate the prediction that EMU will do more harm than good to the cause of European understanding. Walter Calms, Broomhurst Hall, 856 Wilmslow Road, Manchester M20 8RP.

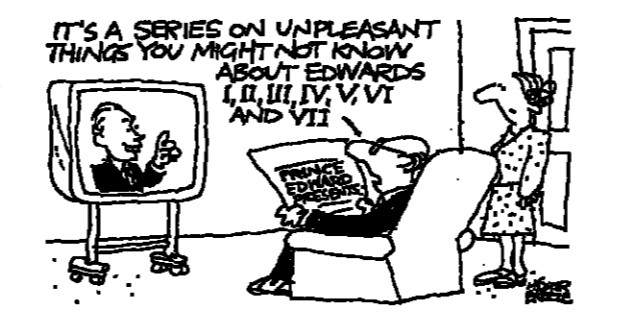
Amongst those nitwits I include the cohorts of extreme "feminists" who get their cassocks in a canter over the so-called sexist language of ordinary Christianity. Unfortunately, since the Reformation, all Protestantism's words and ideas for God have been male. This has resulted in chaps like George Austin coming to the blasphemous conclusion that God is really just a chap like him.

EVERY organisation as large as the Church of England must have a lunatic fringe and jolly George seems to be Fleet Street's favourite. Inside our tolerant, broad, glorious church there is a place for all of God's creation, even our George and his ilk who seem to want to exclude — or at least regard as second class — all women or those who do not share his sexual orientation.

My advice to those who can't bear to sing Praise Him is that they should try writing hymns as excellent and singable about the lady God, rather than mutilate fine traditions. Meanwhile, George, calm down. God is big enough for you to praise him and for me to praise her. Patricia Finney, Briar Cottage, Fortn Coth, Carnon Downs, Truro, Cornwall TR3 8HJ.

In full flood

THERE is "compelling evidence that budget payment units meet the needs of some customers and are liked by them. To ban them would deny customers the opportunity of access to a helpful and flexible payment option." No, not the words of a water-company representative, but the thoughts of water industry regulator Ian Byatt, Director General of Ofwat.



Edward still causing trouble

PRESENT television aiding and abetting Prince Edward and his production company. Who cares about the Duke of Windsor nowadays? He was vain, pleasure-seeking, selfish, irresponsible and, when he deigned to marry a twice-divorced American woman, he was quickly hustled into exile: the best day's work Stanley Baldwin ever did.

quite right to forget him and his whore "as she was called when Scottish locals daubed the walls of Aberdeen Railway Station, anticipating her arrival". Prince Edward has done enough damage to the royal family with his unfortunate resignation from the Royal Marines and it's a Royal Knockout. It is time TV returned to its former respect for the rules of privacy. Geoffrey Howell, 44 Beach Road, Penarth, South Glamorgan CF6 2AZ.

Has the Guardian gone mad? You print the fatuous, anachronistic, chauvinistic ramblings of George Austin — with what earthly (or heavenly) justification? Did you think this smug, elitist diatribe was interesting, informative, even amusing? K Bainbridge, Old Schoolhouse, Stockleigh Pomeroy, Crediton, Devon EX17 4AX.

A Country Diary

CROOK, CO DURHAM: As soon as the water warmed up in the garden pond, the frogs emerged. Now four years old, it has a growing frog population raised from a single original blob of spawn. Some of the residents will soon be grandparents. On the first day there were five frogs, three days later I counted 19 and within a week there were 30 pairs of golden eyes amongst the duckweed. Males seemed to outnumber females by about six to one, so there was intense competition for a mate. At times the water surface boiled with ardent frog courtship pursuits. I could hear their calls from the other end of the garden — not really croaking, more a kind of steady purr, like quiet moped engines ticking over amongst the bogbean, lotus and yellow flag. So I tried an experiment, and turned up at the pondside with a tape recorder. At first they all plunged below the surface, but then resurfaced one by one and renewed their

chorus. I recorded a few minutes of song, then played it back. Challenged by 30 phantom frogs, they fell silent almost instantly. All eyes focused on the tape recorder. Then their white throats swelled and they returned the electronic calls. Finally, apparently fired by aggression or lust, they advanced on the speaker until several were grouped around it, just a few inches away, duffing with the recording. I repeated the experiment three times, with the same results, before I left them in peace. Two days later, silence returned as the frogs dispersed amongst pondside vegetation, leaving a glistening mass of spawn. In the clear, sunlit depths of the pool it is now the turn of the newts to court. Frog courtship is orgasmic — all noise, splash and grappling. Newt courtship is pure grace and elegance — flashes of bright red bellies, sinuous movements and silent embraces. PHIL GATES

Warning: danger on the line

IT WAS with incredulity that I read the comment by Railtrack's Brian Mellit (2200m bill lands for track, April 30) that Britain's track was in "no worse a state than five years ago". Only last year Railtrack told the Transport Committee that infrastructure maintenance needed to be around £200m per year. Last year, the company spent around £100m less than this while planning to spend only £283m a year, on average, over the next five years.

Our rail network has deteriorated rapidly over the past five years. Railtrack has had no less than 18 Improvement Notices and one Prohibition Notice imposed upon it by the Health and Safety Executive over the past year and a half. We are entering an era of investment by Improvement Notice. Hardly an argument for privatisation. James Knapp, General Secretary, National Union of Rail, Maritime & Transport Workers, Unity House, Euston Road, London NW1 2BL.

Diary

Matthew Norman

MYSTERY enshrouds the romantic life of Andrew Neil. You will recall vigorous efforts of late to find Andrew a wife...

I seems that Mandy Mandelson may have more work to do explaining his party to the people: the Collins English Dictionary refuses to include the phrase 'New Labour'...

An article predicting the Prime Minister's survival appears in the Telegraph. The leadership has made mistakes (and how; I treasure my copy of Mr Major's speech on the eve of Black Wednesday...

CONTRIBUTION to Tuesday's Family Law Bill debate catches the eye. Wife-beating, said Tory MP Andrew Rowe, "is not the only way people destroy one another..."

CONGRATULATIONS to Frank Wielechala of the Mirror, Pat Sheehan of the Sun, Matt Driscoll of the Daily Star, Steve Curry of the Express, and Graham Nickless of the Mail...

SPeAKING of Mr Hoddle - one of football's select group of born-again Christians - this seems the perfect time to dredge up a monster funny (well, funny-ish, ish) aperçu from the football agent Eric Hall...



Minor hurricanes that lie in wait

Commentary

Hugo Young

in Washington

REPUBLICANS give Bill Clinton little, and at least 36 per cent of Americans declare they would in no circumstances vote for him. But all agree he's a maestro in one mode: the management of disaster...

In a month's time, that may change. After all, six months ago they said he might be finished. For the moment, swirling fashion dictates that the pundits outdo each other in extravagant contempt for anyone who doubts the President has already won...

There are problems with such confidence. In six months, various kinds of disaster could intervene. Republicans mutter pleasantly about "something else" waiting to break from the multiple scandals of the Arkansas state...

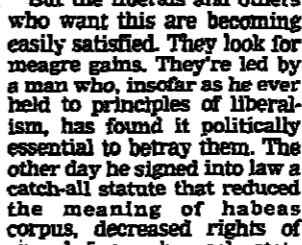
the difference would be great. The first is in the courts. The selection of federal judges, culminating in appointments to the Supreme Court, is a prerogative which, though inviolated by the Senate, can set a president's stamp on law and morality for decades ahead...

The balanced budget is an orthodoxy to be propitiated whatever the state of the economy

awareness of environmental destruction, his party has an atrocious record. Dole himself, leader of the Senate, has brokered a series of regulatory laws opening up the forests to loggers and the wilderness to property developers...

Black dogs behind the typewriter

useful. Writers will generally do anything to avoid writing: there are very few who actually like writing, rather than having written. For some - Dylan Thomas springs to mind - developing a hopeless habit of drink might actually be a way of preventing work, a way of explaining away the terrible dread of writing.



Philip Hensher

A DOCTOR called Felix Post, of the Maudsley Hospital in London, has made some pretty worrying discoveries about the psychology of writers. If you were thinking of writing poetry, don't you'll probably have a stable marriage but have severe manic depression...

The good news is that poets, on the whole, do a bit better. They aren't generally big drinkers, which is going to sound pretty surprising to readers of Dylan Thomas and Louis MacNeice. I always suspected that poets dined out on the reputation of a few high-profile fast-lifers, and in reality happily went to bed early with a cup of cocoa. Goethe is more typical than Rimbaud. But novelists certainly are a lot of old wrecks, according to Dr Post; depressives like Hemingway, boozers like Fitzgerald, eaten up with self-hatred like Waugh, or frankly, like Dostoevsky, not far from insanity.

Dr Post's studies are largely based on figures from the past, whose notoriety has partly ensured their survival. So it's difficult to say whether this is a representative sample, or whether novelists now are a far more well-balanced, sober, hard-working bunch of pillars of society. It might be the case, but I doubt it; the only part of Dr Post's findings which sounded obviously bizarre was his concern that there was a higher than average incidence in his study group of "anti-social, histrionic and narcissistic traits". Twenty-three per cent, apparently; it's almost impossible to believe that, among the double-crossing, egotistical, exasperating ranks of writers, there is as high a proportion as 77 per cent who don't have these traits.

What these studies don't really address is the strange usefulness of psychoses to writers. Of course, nobody likes being depressed, or alcoholic, or whatever; no one would consciously choose it. But the involuntary ways of the mind very well might find a depressive temperament



Vivien Stern

After 19 years at the sharp end of the criminal justice system, Vivien Stern condemns Michael Howard's treatment of offenders as dangerous and destructive

Let the ex-cons back in

IN BARCELONA last weekend a group of people from all 15 European Union countries met to discuss employment and ex-offenders. They were all in favour of reintegrating ex-offenders into the labour market, and they talked about social cohesion, the dangers of social exclusion and the need to persuade employers to give jobs to ex-offenders...

The present incumbents at the Home Office will not have been listening to the conclusions of the Barcelona meeting of the European Offender Employment Group. At the Home Office they are not combating social exclusion; they are fostering it. Their criminal policy and the rhetorical clothes in which it is draped are based on keeping the already excluded out and bringing in measures to ensure their numbers keep on growing. The modest re-integration programmes they inherited from their predecessors are unused and starved of funds.

They do not use the language of social re-integration. They use the language of conflict, contempt and hatred. A stream of Home Office press releases details how battle is being waged against these enemies. A new street-lighting scheme is "putting crooks in the spotlight". Drug dealers are "the lowest of the low".

The Home Secretary sends his congratulations to the police who are "challenging the car thieves, burglars and thugs at every turn". Home Office Minister David Maclean says: "Thugs and burglars beware - you are being filmed and the police are on to you." Let us all stamp out crime in car parks. "We want to turn the tables on the criminal." Launching Countrywatch, the slogan is "Rural criminals are the weeds in their communities. Countrywatch is the weed killer."

The language of the tabloid editorial pours out of the Home Office press office and legitimises the fundamental policy shift now taking place. The sentencing proposals contained in the Home Office White Paper, Protecting the Public, embrace social exclusion as a desirable policy; authors claim that the method - removing more employed, ill-educated people



from society and locking in up for longer in overcrowded prisons where education and training facilities being cut - will protect the public. Will it? In the very short term, it might give a breath of fresh air to some hard-nosed communities. But in the long term it will surely lead to dangers not yet envisaged in this country. A large proportion of young, ill-educated, unemployed men will spend much of their youth in prison, absorbing a prison value-system that is against society, cut off from the mainstream community and its influences. Leaving prison for short periods to produce families and then returning, perhaps for very long sentences of life.

In many communities the prospects of young men going to prison will be greater than their chances of going on to higher education. The number of families with experience of prison will increase and will become the majority in some neighbourhoods. The unifying bonds in these neighbourhoods will be those formed in prison. They will be based on shared criminal connections. Will that be a safer world, or a more dangerous one? Already such developments are taking hold in the United States. An argument rages about whether having 1,500,000 people, half of them young black men, in prison

petty, mad or sad, very young or just inadequate, a movement being destroyed that has been painstakingly built up since the last century. Charitable workers used to stand at the prison gates to stand a half-a-crown and a bag of tools to the prisoners when they were discharged. The successors of these workers are the huge numbers of voluntary workers - groups, individuals, churches who are prepared to help an ex-offender find a path back into society. They run hostels, give ex-offenders jobs, get involved in mentoring schemes, work in daycentres, rent a room and give a taste of family life to a homeless young offender with nowhere to go.

How are all these people to stand up for what they do when the official language to describe the objects of their efforts is the language of contempt, abuse and even hate - "You're doing good" is a term of derision? How are they to respond when they hear that they must be on one side or the other? If they help offenders, it is claimed, then they obviously do not care about the pain and suffering of victims. They have chosen to throw in their lot with the criminals, even though the reality is that by helping offenders to re-integrate they are reducing the number of future victims.

A language is in use which casts doubt on offenders' common citizenship with the rest of society. Rehabilitation means to put on again the garb of citizenship. And it is this common citizenship on which rests the whole voluntary movement for work with offenders and ex-offenders. The woman at the prison with the half-a-crown and the bag of tools was saying: "You've done the punishment. Now it's time to come back to us as a citizen." In modern times, the man with the small garage who takes a couple of ex-offenders on a training scheme and then gives them jobs if they do well thinks "quite rightly" that he is performing his civic duty and contributing to a safer society. It is hard for him to see it in that light if he hears constantly that in official eyes those he is helping into legitimate employment are crooks, thugs and weeds needing an application of weedkiller.

The Home secretary in 1910 was Winston Churchill. In a famous speech he described the principles that were to form the ethical basis of penal policy for most of this century: "... a constant heart-searching by all charged with the duty of punishment, a desire and eagerness to rehabilitate in the world of industry all those who have paid their dues in the hard coinage of punishment... and an unflinching faith that there is a treasure, if you can only find it, in the heart of every man."

Where are those principles now? This week Vivien Stern leaves the National Association for the Care and Resettlement of Offenders (Nacro), where she has been Director since 1977

Advertisement for Staffordshire featuring a large illustration of a castle and the text 'SHORT BREAKS WITH LONG MEMORIES'. It includes contact information for Staffordshire Tourism and a coupon for a discount voucher.

10 OBITUARIES

Tien Suharto

A piece of the action

SITI Hartinah Suharto, who has died of a heart attack, aged 71, may not be well known internationally, but in Indonesia no one doubts the powerful role she has played as confidante and constant adviser to her husband, President Suharto, since he took over the reins of power in 1965. Indeed, her death has cast a shadow over the future of his presidency and may well affect his decision on whether to run for a seventh term in 1998.



Thinking big... the Suhartos on a visit to Egypt

PHOTOGRAPH: RACHAD B. SY

"After Marcos, now for the Suharto billions", it focused largely on Mrs Suharto's business interests. According to a joke doing the rounds at the time, he wrote, she was said to be in the mining business: "That's mine, that's mine."

Julio Cesar Mendez Montenegro

From young idealist to puppet president

GUATEMALA is a country of paradoxes, and the presidency of Julio Cesar Mendez Montenegro, from 1966-70, was one of the most tragic in that country's sad history. As the only civilian president between 1954 and 1966, he was elected on a programme of democratic reforms. His government, however, marked the start of a barbaric era of military repression only now reaching its conclusion. A discredited alcoholic when he left office, he died from a heart attack, aged 80.



Montenegro... barbaric rule

fight an electoral campaign that promised the "Third Government of the Revolution". His candidacy even had support from the Guatemalan Communist Party, and he went on to defeat the military's chosen candidate. He was elected on a programme of democratic reforms. His government, however, marked the start of a barbaric era of military repression only now reaching its conclusion. A discredited alcoholic when he left office, he died from a heart attack, aged 80.

Gilles Grangier

Films for the people

THE FILMS of Gilles Grangier, who has died aged 84, should disabuse those Anglo-Saxon film-goers who still harbour the notion that French films belong in "art houses" and represent the "intellectual" side of the cinema. "I don't work for the cinema-theatre," Grangier once said in reply to those who criticised the lack of depth in his pictures, which ranged from gangster movies, melodramas, comedies to films noirs.



Working-class act... Grangier, right, directs Jean Gabin in The Counterfeiters

KOBAL

Grangier worked in a tannery, was a guide for American tourists, and got jobs as an extra and a stuntman in films prior to becoming an assistant director. During the war, he was wounded and taken prisoner before being released in 1942, when he made his first film as a director for his POW's co-operative. His bigger movies came in the 1950s, a commercially healthy but artistically stagnant period of French cinema. There were two good films noir starring Gabin - Le Sang à la Tête (1956), based on Georges Simenon, and Le Dorsaire et la Nuit (1958).

Letter

David Ashan Hill writes: I read with sadness of the death of Arthur Morton (obituary, April 29), having known him through my father since they served together on the Board of the NSPCC. Arthur Morton played down his wisdom and considerable understanding of people, and attributed his fortune in life to an innate sense of timing and luck. When he joined the Missions to Seamen, he was very concerned about how he would be received as a green cleric among such a tough group of men. At his first posting, he was sent by the officers to quell a fight. As he entered the tavern into the thick of the fight, a sandbag was dislodged from the first-floor landing and it poleaxed the largest seaman in the fight, and the holder of the heavy-weight title, immediately in front of Arthur. No one saw the sandbag fall, only the fallen giant. The fight was quickly dispersed. Arthur attributed the respect he was given by the Navy from that moment on to this incident.

Bert Paine

Design built on education

BERT PAINE, who died aged 88, will principally be remembered the founder of architectural education in Kent. After Royal College of Art in 1906 he joined the staff of the Pais School of Art, where he put together the first course in architecture in the county. The Kent of war and Margate's tragic importance put an end to the course as the town had part of a restricted area. Paine was redeployed and initially started as an architect in Kent. He was also particularly concerned with the preservation of the Kentish Stour and its surroundings by gravel extraction. For many years, he lived in the Cinque Port village of Fordwich and for a time was its mayor. He contributed several statues to a village history. He leaves a son and a daughter.

Birthdays

Dr Robert Anderson, director, British Museum, 52; Theodore Bikel, actor, 72; The Rt Rev Bruce Cameron, Bishop of Aberdeen and Orkney, 56; Sir Hugh Cortazzi, orientalist, 72; Eileen Costello, legal administrator, 43; Jon Randa, chairman, Halifax Building Society, 64; Sir Campbell Fraser, former chairman, Scottish Television, 73; Dr Patrick Hillery, former president of Ireland, 73; Engelbert Humperdinck, singer, 60; Clive Jenkins, trades unionist, 70; Prof Michael Kaser, economist, 70; Brian Lara, cricketer, 27; Dr Malcolm Lipkin, composer, 64; Elaine McDonald, ballerina, 53; Peggy Mount, actress, 80; Lynda Myles, film producer, 49; John Neville, actor, 71; Dawn Primarolo, Labour MP, 42; Dame Nancy Spargo, former director, WRAF, 80; Dr Benjamin Wolf, children's specialist, 83; David Sutch, actor, 50; Alan Titchmarsh, horticulturist and broadcaster, 47; Jimmy White, snooker player, 34; Lord Justice Woolf, prison reformer, 63.

Death Notices

BARNEY, Hele of Noron, Prestegard, peacefully at Farnham Hospital, on 29th 1995 aged 80 years. Funeral Service at St Andrew's Church, Farnham, on Thursday 5th May at 1.30pm. Family flowers only. Donations to St Andrew's Church or Christian Aid. Enquiries to Geoff Hall, Funeral Services. Tel: 01754 52954.

Births

To Kathryn Wood and Richard Parker, a daughter, Madeline Mary, April 27th at 12.00pm. A splendid birth. Birth certificate 0171 733 456. Fax 0171 733 4129.

Jackdaw



SCOTT ADAMS satirises corporate America - when it does not satirise itself. Here he is, writing in Fortune: For your convenience, I have compiled and numbered the most popular management tips of all time. I do this as a service to the business community. Now when you are telling a story about the treachery of your managers, you can simply refer to each tip by its number, for example, "She told us No. 6 and we all went back to our cubicles and laughed." This will save you a lot of energy that can be channelled into whining about your co-workers.

- 1. "Employees are our most valuable asset."
2. "I have an open-door policy."
3. "You could earn more money under the new plan."
4. "We're reorganising to better serve our customers."
5. "The future is bright."
6. "We reward risk-takers."
7. "Performance will be rewarded."
8. "We don't shoot the messenger."
9. "Training is a high priority."
10. "I haven't heard any rumours."
11. "We'll review your performance in six months."
12. "Our people are the best."
13. "You're input is important to us."
It is not always easy to tell the difference between a scurrilous management lie and ordinary nitwitism. When confronted with an ambiguous situation, you can usually sniff out the truth by using a handy method I call the "What Is More Likely Test?"... An example will be useful. Let's say your boss has a broken desk chair and there's no money left in the budget to replace it. Is it more likely that

your boss would: (a) Sit on the floor until the next budget cycle. (b) Use a non-management chair, despite the lower status it confers on the sitter. (c) Postpone filling a job opening in the group, distribute the work to the "most valuable assets", and use the saving to buy a proper chair. As employees we like to think we are more valuable than the office furniture. But the "What Is More Likely" test indicates that it's not the case. Realistically, we're someplace toward the lower end of the office-supply hierarchy.

One to one It is not a great idea to assassinate the leaders of enemy states. You may get somebody twice as a replacement. But if you insist on such a course of action, Robert A. Pipe, author of Bombing To Win: Air Power And Coercion In War, is your man. Here he is, in the International Herald Tribune, explaining the demise of Dzhokar Dudayev: Trying to assassinate leaders from the air is not a viable strategy for two reasons. First it is difficult to locate the leaders. According to the Interfax news agency, the Russians had tried four times to kill Mr. Dudayev. Apparently, what made the difference this time was trickery, not Tom Clancy technology. According to the Russian newspaper Izvestia, Mr. Dudayev died while telephoning an aide to King Hassan II of Morocco who had been asked by President Yeltsin to help mediate an end to the war. Will any leader ever again be so gullible? As soon as the call started, all the Russians needed to do was to work out the position of Dudayev's cell phone and get the laser-guided missiles to home in on it and him. Excuse me, my phone's ringing...

Taxing times The following is a letter sent to the US Internal Revenue Service during disputes about dependents, exemptions and credits. Dear Sirs, I am responding to your letter denying the deduction for two of the three dependents I claimed on my 1994 Federal Tax return. Thank you, I have questioned whether these are my children or not for years. They are evil and expensive. It's only fair that since they are minors and not my responsibility that the government (who evidently is taxing me more to care for these wails) knows something about them and what to expect over the next year. You may apply next year to reassign them to me and I reassign the deduction. This year they are yours! The oldest, Kristian, is now 17. She is brilliant. Ask her! I suggest you put her to work in your office where she can answer people's questions about their returns. While she has no formal training, it has not seemed to hamper her knowledge of any other subject you can name. Taxes should be a breeze; next year she is going to college. I think it's wonderful that you will now be responsible for that little expense... Kristian also has a boyfriend, Oh joy. While she possesses all of the wisdom of the universe, her alleged mother and I have felt it best to occasionally remind her of the virtues of abstinence, and in the face of overwhelming passion, safe sex. This is always uncomfortable.

Advertisement for FORTUNE magazine, featuring 'TAKING ON PROSTATE CANCER' and 'Fortune... lie detection'.

able and I am quite fixed you will be handling... in the future... Patrick is 14. I've had suspicions about this... in February I was awake at three in the morning to police officer who was brought to home... in the future you will like him delivered to local IRS office? Kids at 11 will do almost anything on a... His hair is purple. Permanent dye, temporary dye, what's the deal? Learn to deal with Oh yes, and all of his friends have raging hormones. This is the house of testosterone and it will be much more peaceful when he lives in your home. DO NOT leave any of them unsupervised with girls, explosives, inflammables, inflatables, vehicles, or telephones. Heather is an alien. She slid through a time warp and appeared quite by magic one year. I'm sure this one is yours. She is 10 going on 21. She came from a bad trip in the sixties. She wears tie-dyed clothes, beads, sandals, and hair that looks like Tiny Tim's. Fortunately you will be raising my taxes to help offset the pinch of her remedial reading courses. Hooked On Phonics is expensive so the schools dropped it. Good news! You can buy it yourself for half the amount of the deduction that you are denying! It's quite obvious that we were terrible parents (ask the other two) so they have helped raise this one to a new level of terror. She cannot speak English. Most people under 20 understand the curious patois she utters in the hood/reggae/yuppie/political doublespeak. I don't... Bring a truck when you come to get her, she sort of "nests" in her room and I think that it would be easier to move the entire thing than find out what it is really made of. You denied two of the three exemptions so it is only fair you get to pick which two you will take. I prefer that you take the youngest, I still go bankrupt with Kristen's college but then I am free! If you take the two oldest then I still have time for counseling before Heather becomes a teenager. If you take the two girls then I won't feel so bad about putting Patrick in a military academy. Please let me know of your decision as soon as possible as I have already increased the withholding on my W-4 to cover the \$395 in additional tax and make a down payment on an airplane. Yours Truly, Bob

Jackdaw wants your jewels. E-mail jackdaw@guardian.co.uk; fax 0171-713 3466; Jackdaw, The Guardian, 119 Parringdon Road, London EC1R 3ER. Desmond Christy

Financial Editor: Alex Brummer
Telephone: 0171-239-9610
Fax: 0171-833-4456

Labour says sale is a 'cynical misuse of national resources' and calls for Stock Exchange inquiry

25pc return on Railtrack

Keith Harper
Transport Editor

LABOUR yesterday called on the Stock Exchange to investigate "serious concerns" about the near £2 billion sale of Railtrack as it emerged that investors could secure a 25 per cent return on shares in the year running up to a general election.

Clare Short, shadow transport secretary, who described the sale as a "cynical misuse of national resources", wrote to John Kemp-Welsh, chairman of the exchange, detailing ways in which Railtrack's prospects could mislead potential investors by omitting and distorting vital information on the company's financial regime.

But Sir George Young, the Transport Secretary, ignored her protests and hailed the public's continuing enthusiasm for holding shares as he confirmed a late surge in interest in Railtrack, which will be valued at between £1.75 billion and £1.85 billion. Share shops, he said, had reported 1.8 million registrations, with 500,000 in the last week alone.

Ms Short said that severe structural or mechanical failure and extreme weather would lead to far greater penalty payments and seriously affect Railtrack's profitability, while future costs of structural maintenance might far exceed those quoted to investors.

Railtrack's advisers have calculated that the first year's return will be 25 per cent because of the £69 million sweetener the Government is paying for the year to March 1996, when Railtrack was state-owned. The net final dividend works out at 13.75p, payable in October, and there will also be an interim dividend during Railtrack's first year as a public company.

From parliamentary answers, Labour's transport co-ordinator, Glenda Jackson, claimed that the cost of privatising Railtrack was likely to exceed the value of the company by more than £800 million.

Figures from the Department of Transport show that the taxpayer spent £2.06 billion, including the debt write-off of £900 million. Ms Jackson described Sir George as "the Arthur Daley of the transport industry for selling off assets that are the property of the British taxpayer".

Sir George confirmed that the Government was selling 100 per cent of Railtrack, and that shares would cost between 350p and 380p, with 500 million shares being offered to the market. At least 30 per cent will be sold to the public, although the proportion could be increased.

Notebook

Clarke brushes sceptics aside



Mark Milner

THE Chancellor, Kenneth Clarke, is a robust politician. Certainly he was in fine form yesterday in front of the Treasury select committee, which includes arch Euro-sceptic Nicholas Budgen.

Equally predictably the Transport Secretary claims rail travellers, shareholders and taxpayers will all benefit. This is the best of all possible worlds, according to Sir George Young. Anyone who thinks anything else is simply muddled.

One group unlikely to be muddled is made up of private investors. According to Sir George, almost two million people have registered an interest in buying shares. Hardly astonishing. Over the long years of the privatisation programme small investors have learnt that the Government and its advisers look to price their wares at a level which (market meltdown apart) will provide a tidy premium on early dealings.

Certainly the Government, which is still looking to sell British Energy, cannot afford a flop this time round.

On such a pile 'em high, sell 'em cheap basis, the toughest decision small investors are likely to have to make is whether to stag the issue immediately or hang on for the interim dividend which could offer a 25 per cent yield.

Such prospective profits may provide comfort for investors caught by routine lull delays or stuck behind lorries carrying loads that might, with a better network, have been delivered in a matter of minutes. It is scarcely the foundation of a coherent transport policy.

Hopes for rate cut as output slips

Sarah Ryle

HOPES of an imminent interest rate cut grew last night after a survey of factory bosses showed that Britain's manufacturing sector has declined for the third month in a row.

City analysts warned that the sector is bordering on recession and said that the Chancellor, Kenneth Clarke, now had the ammunition to persuade the Bank of England that a cut in base rates was needed to boost demand.

Tory backbenchers watching the results of today's local elections were expected to step up pressure on Mr Clarke to reduce the base rate from 8 per cent to boost spending power and so aid Conservative fortunes.

Despite separate data from the Bank of England showing that consumer credit rose by £700 million in April, and figures from the British Bankers' Association showing the largest quarterly rise in lending since 1991, yesterday's snapshot of factory activity suggested that only some parts of the economy have embarked on significant recovery.

Factories reported the sharpest drop in new orders since October 1992, when Britain fell out of the exchange rate mechanism, according to the Chartered Institute of Purchasing and Supply.

This was a key cause of the third fall in a row of the overall Purchasing Managers' Index, which is a measure of factory activity, including output, orders, prices and employment. There has been no significant growth for a year.

Nikkei economist Simon Briscoe said: "The survey is very weak and weaker than expected. It shows no signs of the hope for recovery. There is no chance that base rates will rise in the month ahead, so the balance of probability is now that the next move will be down."

US economist Alex Garrard said: "Faced with a manufacturing sector stuck in the doldrums, few signs of a pick-up in key export markets, and the prospect of further sub-trend GDP growth to come, the Chancellor has plenty of ammunition with which to push for a further rate cut. And the widespread government losses expected in tomorrow's local elections will only serve to fuel backbench pressure on the Chancellor to deliver."

The prices element of the PMI was the lowest since the survey began in July 1991, reinforcing the view that inflationary pressure is weak. But the split between manufacturers producing high street goods and other producers continued to grow. Consumer demand meant stocks fell as sales rose faster than production.

Evidence that the US economy is strengthening emerged last night as the index of leading economic indicators rose in March for the second month in a row, the first consecutive monthly gain in 18 months.



On guard... Japanese Prime Minister Ryutaro Hashimoto with a bamboo sword at the International Trade and Industry Ministry in Tokyo

Founder's wife pockets £13.5m as she boots the chemists

Ian King

MARILYN Lloyd, the wife of Lloyds Chemists' founder and chairman Allen Lloyd, yesterday scooped £13.5 million after selling her 30 per cent stake in the company.

In a statement, Lloyds Chemists said Mrs Lloyd had sold her entire holding of 3 million shares in Lloyds at 450p a time, "solely with a view to diversifying her assets".

However, the sale raised eyebrows in the City, since Lloyds Chemists is currently the subject of rival takeover bids from Britain's Unichem and Germany's Gehe - both of which have been referred to the Monopolies and Mergers Commission.

Particularly surprising was the price at which Mrs Lloyd sold, which was well below Unichem's 497p and Gehe's 500p bids. During a market raid on Lloyds made before the MMC referral, Unichem snatched up a 9.9 per cent stake in the chemists - paying around 497p a time.

Mrs Lloyd, who is in her early 40s, married Mr Lloyd in 1972. The following year, Mr Lloyd sold the couple's house, car and furniture to finance their chemist's shop, at Folsworth, near Warwick.

But Mrs Lloyd doing the books. She stayed with the company as it grew into Britain's second biggest chemists chain, latterly working as a buyer at the group's head office and only retired late last year.

Mr Lloyd pledged last night to retain his 6.1 million shares in the company until after the MMC has published its report.

'Come clean' call to Saudi investors

Chris Barrie
Business Correspondent

DIRECTORS of the National Grid yesterday moved to uncover the intentions of a shadowy Saudi Arabian investment group which may take control of a £400 million stake in the firm.

Finance director John Utley said that Section 212 disclosure notices had been served on Olayas Group, its equity investment arm Crescent Holdings, brokers HSBC James Capel and conglomerate Hanson.

Hanson sold a 12.5 per cent stake in the Grid to James Capel on Tuesday. Amid market speculation about future ownership of the stake, the broker disclosed that it had "hedged the market risk" of the holding by entering into derivatives contracts with Olayas, an Athens-based group controlled by one of the world's richest men, Sultan Saleh Olayas.

Mr Utley said the Grid was seeking information from Olayas about its intentions. He admitted the board was "baffled" about the nature of the deriva-

tives deal, which Capel refused to clarify.

Mr Utley said the group was "going through the normal channels" in seeking "sensible information" needed by its shareholders. The investment record of the Saudi group implied that it might hold the shares for the long term, should it emerge as the ultimate owner.

Disclosure notices were served on James Capel and Hanson on Tuesday, and on Olayas and its subsidiaries yesterday. The broker said yesterday the stake was owned by its market-making arm. Hanson said it no longer had any interest in the stake.

Grid shares last night closed 5p down at 199p. Hanson sold its shares at 192p a share. Industry sources said yesterday's fall indicated there was little institutional demand for the shares. Traders speculated that Capel was intending to place the stake and using the Saudi group to hedge the risk. The Grid said it had not expressed concern to the Trade and Industry Secretary, Ian Lang, about the uncertainty surrounding the stake.

Grid teetered as viewers switched on 10pm cuppa

Ian Wylie

DISCLOSURE that the electricity system recently came close to collapse for a fourth time forced the National Grid to admit yesterday that the number of "major events" was increasing for the first time in 15 years, writes Chris Barrie.

System managers were one step away from ordering blackouts after the interconnector with France collapsed on February 19. The loss of the 1,000 megawatt supply came just before 10pm.

The Grid said the emergency coincided with a 400MW "TV pick-up" when viewers put on their kettles after Call Red, a drama about helicopter-borne medics.

The Grid control room at Reading, Berkshire, wanted to call on the Welsh pump storage power station to make good the shortfall, but it was unavailable. Frequency fell below statutory limits, from 50 Hertz to 49.03 Hertz, and the Grid ordered a voltage cut. The next step is to cut power altogether.

A Grid official said full power was restored within 15 minutes. Only a "faint dimming" of lights would have been noticeable.

£1m-a-day bank rip-off

Ian Wylie

BANKS and building societies are short-changing their customers by £1 million a day by delaying cheques from clearing, according to a report published today by the Consumers' Association (CA).

The survey claims that by making current account customers wait four or five days for cheques paid-in to clear, banks and building societies are quietly earning up to £1 million a day in interest on evergreen Rock TSB and the Woolwich of making customers wait five working days. Cus-

tomers paying in cheques to a savings account have to wait 19 days before they can withdraw their money.

While some banks and building societies start paying interest on cheques on the third working day, the survey found that the Royal Bank of Ireland and Ulster Bank - two current account customers to withdraw the cash the same day.

Some banks and building societies permit withdrawals on four days, but the report accuses Abbey National, Bank of Scotland, Barclays and the Woolwich of making customers wait five working days. Cus-

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Friendlier societies revived

Martyn Halsall
new life for the Victorian self-helpers

FINANCIAL services executives whose fathers kept deceased fathers out of paupers' graves provided "travelling clubs" for itinerant workers last night celebrated the revival of the friendly societies movement.

Moves by both political parties to replace the welfare state with self-provision have spurred business for pragmatic Victorian

foundations named in all seriousness as the Druids Friendly and the Universal Brotherhood of Speculative Mechanics.

Last night, the 100,000 member Independent Order of Odd Fellows - later re-christened the Manchester Unity Friendly Society - re-launched its social provision package on May Day in the Northern capital's People's History Museum.

Around 300 friendly societies have between 10 and 12 million members, many unaware of the provision left to them years ago.

The friendly societies are also stressing their mutuality - ploughing back excess income to benefit members -

as building societies shed this birthright through increasing amalgamations into banks. The friendly societies' historical marriage of social provision and financial services is credited with inspiring the formation of the Welfare State.

The 186-year-old Manchester Unity, which has assets of £225 million and more than 175 lodges, last night amalgamated a range of traditional benefits into a £15 a year package, covering potential benefits ranging from dental treatment to educational awards.

However, the society no longer commits itself to funds rescuing members from burial in a paupers' grave.

Illusionists' train

W

WHETHER or not the sale of Railtrack adds many to the roll call of private investors the Government can claim that its privatisation programme has done much to promote the idea of a shareholding democracy. The number of individual, as opposed to institutional, investors has risen from three million in 1979 to around 10 million today.

Unfortunately for the Government that is only half the story. The percentage of shares held by private individuals has fallen from more than 28 per cent of the total in 1981 to barely above 20 per cent today.

The Government's other great idea of promoting a property-owning democracy also has its uncomfortable side. As the Guardian's economics advisory panel points out today, Britain's long neglected private rented housing sector is undergoing something of a renaissance.

One reason is a fall in house prices, which has lowered the entry costs for those wishing to become landlords. The second, powerful, influence is the growth in job insecurity - known to, and encouraged by, the Government under the banner of labour market flexibility.

Worries about redundancy have made people reluctant to make the long-term commitment required for taking out a mortgage. Nor are short-term employment contracts, another manifestation of job insecurity, exactly the sort of thing which has the average mortgage lender in raptures.

In the housing market, as in the stock market, government claims are not always quite what they seem.

US papers come under threat as Microsoft puts news on the Web

Mark Tran in New York

MICROSOFT is to take on America's top newspapers by rolling out its online MSN news service on to the World Wide Web, where it will be available free to all comers.

It is throwing down the gauntlet to Web-based news services operated by papers like the New York Times, which unveiled its interactive edition on Monday. The Journal's edition has continually updated news 24 hours every day.

The Times and the Journal now charge or plan to

charge users subscription fees for access to news. Microsoft will charge for its other offerings, such as its eagerly awaited online news magazine, Slate, due to appear in the summer.

Microsoft expects to make money for advertisers if the news service becomes popular with Internet surfers. It can afford to absorb any losses on its free news service as it establishes a grip on the news market. This is quite threatening to newspaper publishers, said Journal editor, "Microsoft can afford to wipe out everybody with its free service and then charge later."

Enter the Dragon offer

As the handover to Chinese rule in Hong Kong approaches, the Guardian Finance team's comprehensive reports on the prospects for the colony are now available in booklet form for £2.50, including postage and packing.

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| Canada 2.00 | Hong Kong 11.44 | Netherlands 2,050 |
| Cyprus 0.8920 | India 52.14 | New Zealand 2,125 |
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12 FINANCE AND ECONOMICS

The Guardian Thursday May 2 1996

Wise Women

Prices are at a four-year high, but people feel more at home renting than buying. Our all-woman panel of economists asks what that means for the Chancellor

Building slowly... First-time buyers are back in the market and bricks back on site, but an Eighties-style boom is unlikely



'A strong housing market may be a vital element of an election campaign, but it is not a prerequisite of economic growth'

'Job insecurity has made people wary of committing themselves to the long-term obligation of mortgage interest payments, let alone the responsibility of repaying large sums of capital'

'Buying makes a lot of sense provided that the main motive for house purchase is providing a roof over your head'

The world turned upside down

THE housing market has turned upside down over the past few years. In the mid-1980s people did not want to rent, they wanted to buy. Owner-occupiers paid an average of four times their income for a house or flat, and the private rental market was almost non-existent. Now people want to rent.

As the supply of private rental property has failed to keep up with the booming demand, private sector rents have soared. There are few bidders for the stock of properties for sale, so prices now average little more than three times average earnings.

This switch from purchase to renting has produced a market that is ripe for investors in private rental property: purchase is cheap and rents are high. How has this come about?

Job insecurity has been a powerful influence on the housing market in recent years. Government figures put redundancy rates at between 10 and 20 per cent since 1992, so the majority of workers will have - at the very least - seen friends or colleagues lose their jobs at some point during those years. And many may have themselves faced redundancy.

In some sectors, people no longer expect job security. Instead, they envisage a working life with patches of unemployment, retraining and a

variety of different occupations. The mobility they need is enhanced by renting rather than buying accommodation. In fact, most people made redundant get another job within three to five months. Despite this, the general ethos of insecurity has made people wary of committing themselves to the long-term obligation of mortgage interest payments, let alone the responsibility of repaying large sums of capital.

Mortgage interest rates are now lower than they have been for many years making home loans relatively cheap. But the memory of the high rates of the early 1990s and the inescapable possibility of higher rates at some point in the future make people unwilling to take on a mortgage commitment.

Another factor is the decreasing likelihood of state support to help with mortgage interest payments in the event of job loss. Then there is the risk of negative equity. Just before the last recession, with its wave of redundancies which affected middle class homeowners, house prices rose to an all-time high. Prices in 1989 were the highest they had ever been, even allowing for inflation.

The resulting readjustment in prices was painful for the vast majority of those who had bought in a hurry the

pain of negative equity. The private rental market in the UK, on the other hand, has been near-moribund for decades. This has been the result of 1980s legislation giving security of tenure to tenants. Until 1988, there was no way that a UK landlord could be confident about access to rented property, or even the rent that could be charged. Landlords did not view rent assessments as fair or even viable.

The lack of a secure way of maintaining rents at levels that cover costs and give a reasonable profit, led to a dearth of private rental property. The 1988 Housing Act brought in Assured Shorthold Tenancies. These guaranteed the right of the landlord to repossess the property at the end of the tenancy.

As we have seen, job insecurity and negative equity drove people back into the private rental market in the 1990s. Even so, rental property is still in short supply and this has caused the average level of private sector rents to soar. The latest official figure is around 30 per cent - up on the all-time high for 1983. This fact, combined with the increased security for landlords of the 1988 Act, has turned the private rental sector into a highly lucrative investment.

Penelope Rowlatt

Shrinking asset no longer offers liquid gold

Most people living in the UK today their home is their largest financial asset. More than half the population is also building pension funds, either through occupational pensions or through personal pensions. But in relation to the value of their homes generally are modest. As this particular personal asset has grown in significance (two-thirds of households are owner-occupied), attention has focused on use prices. These have risen in recent years after a sharp rise in house prices. Households see their net asset shrinking in value.

This asset is quite different from pension. A pension is a sum of income and cannot be passed on to later generations - only to a spouse or other specified dependant; then it dies with the dependant. A house is an asset that can form part of an inheritance - what the Prime Minister called "wealth cascading down the generations". So any threats to its value, or any calls on it for other purposes, weaken its general value as an asset class in a personal investment portfolio. In recent months not only have house prices fallen, but there has also been a storm of protest against the practice of setting all assets, including the house, against the charges for long-term residential care for the elderly. Attempts in the past to introduce new financial vehicles to permit some of the equity locked into the housing asset to increase the income stream of pensioners have generally failed. The risk/reward ratio has been unattractive to buyers and the Inland Revenue has not reacted favourably to the schemes. A house is, therefore, not generally a liquid asset.

With the drop in house prices and the reduction of the level of inflation a house no longer seems to be a preferable asset class to the individual. Yet the income-to-price ratio has not been so favourable for many years. Buying makes sense provided that the main motive for purchase is the instrumental one of providing a roof over one's head. The expectation of the house as the prime financial asset of a family is probably not appropriate. Putting all the eggs into the housing basket never made sense except for some people for a few years when the market was booming.

Ann Robinson

It's the right time for Clarke to put rates on hold

THE question that now faces the Chancellor, Kenneth Clarke, is whether he should continue to ease monetary policy or whether interest rates should be put on hold. When Mr Clarke first started to cut base rates in December 1995 there were undoubtedly worrying signs about the state of the economy, with a significant stock overhang, a sharp slowdown in exports and little in the way of evidence of a pick-up in domestic demand. But now there are gathering signs of life.

There should be income growth boosted by a number of elements in 1996. The most obvious of these is tax cuts with a £3 billion giveaway this year contrasting markedly with the £5 billion of tax increases last year. The net move from tax increases to tax cuts will boost real income growth by around 1.5 percentage points. Another key element boosting real income growth is the relative movement of price and wage inflation. In 1995,

the last three months. The housing market has also picked up. House prices have risen by 3 per cent over the last six months and the industry has reported a significant increase in activity. This now seems to be feeding through into manufacturing.

So far, the Chancellor has shown himself to have acted in the best interest of the economy. We believe that should it prove necessary to raise interest rates to protect the Government's inflation objective, he cannot shy away from this - even in an election year - without severely damaging the credibility of UK policy makers.

Although the outlook for inflation in the near term is benign, there are still potential threats to the Government's inflation objective. Were the economy to grow at an annualised rate of 3-4 per cent, as we expect, over the second half of this year and into 1997 it is likely that the spare capacity in the economy will be eliminated by the end of 1997. Some sectors of the labour market would also be near levels of tightness that might prompt higher wage inflation. While inflation is not a problem in the short term and may even fall again, we feel much less confident about next year.

As a result, we believe it right for the authorities to move away from the policy of gradual easing and put policy on hold. If we are correct, it is likely that the authorities will have to consider tightening policy at some point. While this may not appeal to the Chancellor's political instincts, failure to do so would jeopardise credibility. There are a range of reasons behind our growth expectations, led by domestic demand. Retail sales, flat in the 12 months to September 1995, rose at an annualised rate of almost 3 per cent over

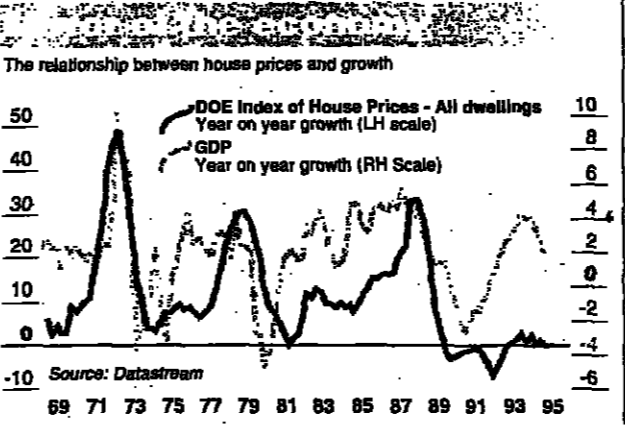
Bronwyn Curtis

Growth without boon and bust

A STRONG housing market may be a vital element of an election campaign, but it is a prerequisite for economic growth. The old relationships between monetary policy, housing and the economy are being broken down. In the past, rapid house price inflation has tended to be accompanied by, if preceded by, strong economic growth, particularly consumer spending. It has also tended to precede retail price booms of the early 1970s and late 1970s and the late 1980s. A housing boom may be a useful early indicator of heating. But economic growth and inflation, even in the areas most closely related to the housing market such as spending on household durables, can still occur in the absence of housing strength. This has indeed been the case over the current economic cycle. In 1994, for example, the economy grew by rapid 4 per cent, with consumption up by 2.7 per cent, and that on durables by 11.2 per cent, but house prices hardly moved. Nevertheless, sluggish house prices will mean that the burden of negative equity will lift only slowly. And this could have an impact on labour mobility. However, there is little evidence that negative equity has harmed

the labour market significantly in the 1990s. In recent years, as structural changes in the mortgage market have increased mortgage lenders' access to long-term, wholesale funding, there has been a move towards fixed-rate mortgages. In 1994, fixed-rate mortgages reached a peak of more than 60 per cent of net lending. As borrowers become less vulnerable to changes in short-term interest rates, this will erode one of the key ways in which monetary policy impacts on the economy.

Marian Bell



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Which? punctures price-rise euphoria

Government 'must make amends' for policies that drove buyers to despair. Cliff Jones and Sara Ryle report

HOUSE prices have climbed to their highest in almost four years, but lenders and consumer groups warn that the recovery could remain elusive. Consumer watchdogs at Which? today urged buyers to be cautious and called on the Government to do more to help them by abolishing stamp duty in a report which blamed the Conservatives and mortgage lenders for pushing millions of households into negative equity or even homelessness. Monthly figures published

to, by the Halifax Building Society show the ninth consecutive increase and an annual rise of 2.7 per cent. That puts the average UK house price at £64,009, its highest level since August, 1992. The society forecasts a 2 per cent rise in house prices in 1996.

Nationwide Building Society says show a rise of 1.2 per cent on the year. Its average house price in April of £62,706 was the highest since October 1994. The nationwide is being more cautious than it was in January when it predicted an increase of 2 per cent for the year. It warns that a shortage of good properties on the market is holding back a potential increase in activity. A spokesman said that many existing homeowners are deliberately keeping their houses off the market. People trapped by negative equity, whose mortgages exceed the market value of their home, are waiting for prices to rise before they sell. House sales last month were down to just 89,000 compared to 101,000 for the same month last year.

The Which? report said government policies of right-to-buy, tax relief and financial deregulation combined with massive lending by building societies and banks, had encouraged people to take on too much debt and also boosted house prices to unrealistic levels. Some homeowners have watched their houses plummet by as much as a third, depending on which part of the country they live in. Kate Scribbens, head of the Consumers' Association Money Group, said: "There are signs that the market is picking up, but homebuyers must be cautious. It is time the Government and lenders shouldered their share of the blame. Even a small gesture from the Government, such as the abolition of stamp duty or an increase in the threshold at which it becomes payable,

would help. No one wants to see a return to the boom-and-bust market of the eighties. People should buy a house as a home, not an investment." Adrian Coles, director-general of the Council of Mortgage Lenders, believes that the housing market will pick up "in fits and starts" rather than show a steady improvement. The CML has just recorded the highest number of mortgage approvals in more than a year, but showed quarterly mortgage lending down by more than 14 per cent on the year to £3.7 billion. Mr Coles said: "The housing market is not going to 'lift off' but we do expect lending and house prices to strengthen during the course of the year."

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... with form

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Rugby Union

Tiger thrives in the front-row jungle

Robert Armstrong on the prop Graham Rowntree, who will play a key role for Leicester in the Pilkington Cup final

PROFESSIONALISM may be a new phenomenon in English rugby yet Graham Rowntree has been a professional for the better part of a decade. It has nothing to do with money, at least not until last season, and everything to do with the mental rigour of the elite modern rugby player. The Leicester and England prop certainly has those qualities, and something more.

but we pressured them in different ways and made things difficult for Redpath, their scrum-half. I think we put our critics right that day." The obvious pleasure Rowntree derives from a powerful scrumming tends to overshadow the conclusive reason the England selectors promoted him after two years on the bench, namely his explosive power in loose play. Those who condemn Leicester for a conservative forward-dominated style should consider the pace, strength and dynamism of the 6ft, 17st 2lb loose-head as he surges forward, eating up the yards with the sort of spectacular aggression only rugby can offer.



Column of strength... Graham Rowntree is no toby jug prop PHOTOGRAPH: JOHN ROBERTSON

Racing Double Trigger gets his shot in bang on target

DOUBLE TRIGGER, the champion stayer, got rave reviews for his courageous efforts last season and proved in yesterday's Insubpuk Sagaro Stakes at Ascot that his appetite for a fight remains as strong as ever. Grey Shot obliged him by going the distance and it was only in the final strides that his resistance finally gave out under sustained attack.

Salisbury with form for the jackpot races

Table listing horse racing results for Salisbury, including race numbers, names, and winners.

Results

Table listing horse racing results for Ascot, Epsom, and other tracks, including race numbers, names, and winners.

Hamilton

Table listing horse racing results for Hamilton, including race numbers, names, and winners.

Wolverhampton (A.W.)

Table listing horse racing results for Wolverhampton, including race numbers, names, and winners.

Advertisement for Joy confined and RACELINE, featuring contact information and product details.

14 SPORTS NEWS

HODDLE AND ENGLAND



Hand of Hod... Glenn Hoddle's willingness to embrace Continental ideas has been an inspiration to Chelsea on and off the field and at the age of 38 years he is poised to become England's most youthful manager



Graham awaits Bridge call

Martin Thorpe on the probable manager in waiting

GEORGE GRAHAM is the favourite to succeed Glenn Hoddle at Chelsea, completing his resurrection after the one-year ban imposed by the FA over the bung scandal.

Christian ready to be thrown to lions

David Lacey says that time is already running out for England's prospective manager as World Cup qualifying looms in September

S O AFTER four months of fiddling, the Football Association has at last found a Christian to throw to the lions.

older at the time of his appointment in 1962. Compared with Ramsey, however, time is not on Hoddle's side.

No, within nine weeks of the European Championship final at Wembley he will be taking his squad to Moldova for the opening match of the 1998 World Cup qualifiers on September 1.

The career

- 1957: b Oct 27, Hayes, Middx. 1974: signed by Tottenham. 1978: wins FA Cup v Ipswich. 1979: wins FA Cup v Ipswich. 1979: scores on full debut v Stoke. 1979: scores on England debut v Bulgaria. 1981: wins FA Cup v Man City. 1982: wins FA Cup v QPR. 1984: wins UEFA Cup. 1987: £750,000 move to Monaco. 1988: wins French league title; last of 53 England caps (8 goals). 1990: retires through injury. 1991: non-contract comeback in Chelsea reserves; appointed Swindon manager in April. 1993: takes Swindon to Premiership via play-offs; quits a month later to become Chelsea manager. 1994: Chelsea lose FA Cup final. 1995: last game v Arsenal; Chelsea in Cup winners' cup semi-finals.

England coaches come and go but the person in charge can do no more than use the material at his disposal to the best of his ability.

The job is part tactical, part motivational. At the moment Terry Venables appears to have struck a careful balance between the human and strategic factors.

Thus the impression was left either that the FA hoped Venables would change his mind and stay or that one or other of the referees, Bryan Robson for example, would have second thoughts about succeeding him.

does not seem to have been the first choice.

He may, of course, still turn out to be the best choice for the job. Doubts about his managerial experience will persist but he has already shown, both at Swindon Town and Chelsea, a steady sense of purpose which was not always his stock-in-trade as a player.

Even Ron Greenwood, a firm believer in the sort of skill and imagination Hoddle possessed, had misgivings about him.

After a trip to Bethlehem with England he once said: "I could have walked out of that cave, like the rest of the lads, and thought it was a fantastic experience. But there was something more. There was a very strong spiritual feeling."

Hoddle's is not the driving force of the average football manager. It is a spiritual strength, and the success it has brought him testifies to its power.

have been... He did not take a game by the throat, which may have had something to do with his personality.

Bobby Robson had the best and worst of him as an England player. The 1986 World Cup saw Hoddle readily complement the burgeoning partnership of Gary Lineker and Peter Beardsley, and two years later in the 1988 European Championship his skills as a substitute all but turned the opening match against the Republic of Ireland in England's favour.

But he was a living disaster against the Soviet Union in Frankfurt, and never played

for his country again.

Nevertheless Hoddle acquired considerable stature in his three years with Monaco, whose coach, Arsène Wenger, allowed his talents a free rein. As a player-manager at Chelsea and Swindon, moreover, greater responsibility bred greater resolve.

Hoddle's imminent appointment is good news for the next generation of England footballers. His faith in Continental playing styles, especially the use of three defenders augmented by wing-backs, will encourage more Phil and Gary Neville.

ables: "He's, although possibly not an even greater emphasis on doing things in style.

That has the England pendulum continued to swing between bookies and bishops; in character Revie, Greenwood, Robson, Taylor and Venables have belonged to either turf or club. With Hoddle the collar has done another turn.

Whether he is the man for the job, the job only knows. In the end, like everyone else, he will be judged by results. For England's sake it is to be hoped that Judgment Day is long delayed, always assuming Hoddle says yes.

Born again to be England's man

GLENN HODDLE gets upset at being called a born-again Christian, writes Martin Thorpe. It makes him sound like a zealot. All he happens to believe is that there is more to this world than the material; and he tries to live his life, even in football, guided by that belief.

After a trip to Bethlehem with England he once said: "I could have walked out of that cave, like the rest of the lads, and thought it was a fantastic experience. But there was something more. There was a very strong spiritual feeling."

Hoddle's is not the driving force of the average football manager. It is a spiritual strength, and the success it has brought him testifies to its power.

on and off the field. He is distrustful of the media and can be introverted. But he is ambitious and will stick to his strong ideals to the point of stubbornness.

Mike Spearman, the chairman of Hoddle's previous club Swindon, is in no doubt that Hoddle is the right man to replace Terry Venables. "He would make an ideal England manager. He gains respect from the players because of his history as a great player and because he can also explain how to do it. He even got those with less

ability to carry out his style.

"He is a strict but understanding man and, what is more, he has a very happy family background. He has a lovely wife and two children so he can always go home to a wonderful environment."

Bosman may be boon for Collins

IAN ROSS CELTIC'S John Collins may become the first high-profile British footballer to exploit the Jean-Marie Bosman ruling by moving abroad on a free transfer.

Although there is absolutely no suggestion that Everton and Bordeaux have entered into any form of discussion about Collins's long-term future, the whole question of the movement of out-of-contract players is causing concern all over Europe.

The fear is that players may stage-manage free transfers to clubs abroad, only to join a third club a matter of a few weeks later.

If, for example, a player at Premiership club A were refused permission to join Premiership club B, he could move abroad on a free transfer.

Shortly before the March transfer deadline, the Scottish club rejected an Everton offer of some £1.5 million for Collins, insisting he was worth at least £2.5 million. Six weeks on, Celtic are faced with the prospect of collecting nothing for a man who could figure in Scotland's European Championship campaign.

United's Bruce misses crunch game at Boro

STEVE BRUCE will miss Manchester United's potential championship decider at Middlesbrough. The club captain has torn hamstring and his manager Alex Ferguson said: "He is out of the running for Sunday, there is no question about that."

Should United tie for the title with Newcastle the sides will play off at Wembley on Thursday May 16, unless there is an FA Cup final replay, which would push the match back to May 21.

Patrick Kluyvert, one of the aces up Holland's sleeve for the European Championship, could face six months in jail when he is sentenced on May 14 for killing a man in a road accident last September.

The Ajax striker admitted in court a charge of speeding after his borrowed car, which had been plunged into another car, killing the driver.

Premiership: Arsenal 0, Liverpool 0

Frustration for Bergkamp

WILL BUCKLEY SEVEN years ago these two sides met at the end of the season to stage a show-stopping finale to the championship.

Last night the fixture was more of a sideshow, yet for Arsenal a crucial one to determine whether they would establish a beachhead in Europe. This draw edged them closer and if they beat Bolton at home in their last game of the season, the final UEFA Cup place will be theirs.

Arsenal, the needier side, started the hunger. Merson and Bergkamp combined to create a chance for Harrison but his first attempt was blocked and his second went bobbling wide.

A couple of Merson out-swinging corners exposed deficiencies in Liverpool's defence as Marshall and Harrison, both unmarked, headed straight at James Liverpool.

meanwhile, were content to sit back and pass and wait. On the half-hour they nearly paid for their complacency as a Bergkamp freekick found its way to the captain, Keown, who failed to score.

Immediately Liverpool responded with Dixon skewing the ball perilously over his own bar and Foyles crossing for an offside Collymore to head confidently, but irrelevantly, home.

As the half wore on Liverpoolian guile overtook Arsenal's graft. Platt, introduced before the game as England's captain, was having another of those games that made one question his place in the national squad.

First Division: Ipswich 2, Huddersfield 1

Mathie's the man

PAUL WEAVER THE glorious Alfred McAlpine Stadium will not be gracing the Premiership next season but Ipswich, down to 10 men after 65 minutes last night, can still make the play-offs.

Ipswich equalised in the 45th minute when Thomsen crossed from the left, Milton miskicked and the ball fell to Mathie who drove home.

The Yorkshiremen might have regained the lead during a surging spell early in the second half. In the 56th minute Booth, on the left, beat Wright with his shot but saw the ball rebound from the left post; a minute later Collins shot over from 15 yards.

But Ipswich worked their way back into the game and on 83 minutes Marshall, put through by Mathie, shot narrowly wide. Home jaws dropped when Milton, already booked for a late tackle, was dismissed after a second yellow card for a foul on Makeel — but then Mathie struck.

Lawrie Wright, Steve Watson, Malcolm Thomson, Mark Scowcroft, Mason Sealey, Mathie, Marshall, Milton, Huddersfield French, Jenkins, Cowen, Bullock, Scully, Gray, Collins, Makeel, Gary Thomson (Ipswich), Referee: M Pierce (Preston).

FOOTBALL IN EUROPE An International Conference for Euro '96 30/31 May 1996, Leicester Sir Norman Chester Centre for Football Research International Centre for Sports History and Culture Speakers include: Glen Kirton, Gordon Taylor, Rick Pary, John Bromley, Steven Barnett, Prof. Christian Bromberger, Prof. Alessandro Dal Lago, Prof. Furio Radin, Prof. Pierre Lanfranchi, John Williams. For more details ring 0116 2522741 or fax 0116 2522746

Results Soccer FACELING PREMIERSHIP Arsenal (H) 0 Liverpool (A) 0 38,323 ENGLISH LEAGUE First Division Ipswich (H) 2 Huddersfield (A) 1 17,473 UNIBOND LEAGUE First Division Wigan (H) 1 Aston (A) 0 11,800

Basketball NBA Orlando (H) 108 Detroit (A) 104 12,178 Detroit (H) 107 Orlando (A) 104 12,178

Evening Racing CHELTENHAM 5.25: 1, MY ROSSINI, Mr A. G. Smith (11-1) 2, Mr G. D. G. (11-10) 3, S. S. (11-10) 4, Mr G. D. G. (11-10) 5, S. S. (11-10)

Chess BRITISH LEAGUE (Newcastle) Round 12: 1, N. H. (11-10) 2, S. S. (11-10) 3, S. S. (11-10) 4, S. S. (11-10) 5, S. S. (11-10)

Cricket News and Scores 0891 22 88+ Counties update Derbyshire 31 Kent 37 Somerset 43 Durham 32 Lancs 38 Surrey 44 Essex 33 Leics. 39 Sussex 45 Glamorgan 34 Middlesex 40 Warwickcs. 46 Glouce. 35 Nottingham. 41 Worcester 47 Hampshire 36 Northants 42 Yorks. 48

England Internationals follow the team throughout the year Live Commentary 0891 22 88 28 Match Reports 0891 22 88 29 Sport @TheGuardian

Sullivan k from brink team sh ce talks

Snooker

O'Sullivan back from the brink

Clive Everton in Sheffield

RONNIE O'Sullivan kept alive his chance to supersede Stephen Hendry as the youngest world champion...

position for pink left him a tricky shot with the rest. Its failure left O'Sullivan the cast of chances for 12-12. There was a mistake on either side in the deciding frame...



Wood work... Leslie Law puts in some pre-Badminton training in the Gloucestershire countryside

PHOTOGRAPH: FRANK BARON

Law of increasing returns

Frank Keating meets a rider with an Olympic mission at Badminton this week

THE 11th-hour withdrawal of so many horses through injury - five at the last count - from the Badminton Horse Trials...

course was far more daunting than changing horses. Badminton's Wednesday unveiling of the cross-country hazards inevitably and annually scares the hell out of even the most experienced international event rider.

in his lorry, parked near the village hall, while across the road Capitano and New Flavour will lord it in the ancient, airy and sumptuous stable block that adjoins the grandeur of the Duke of Beaufort's Palladian pile.

Rugby Union

RFU team shun peace talks

ENGLISH rugby's crisis deepened last night when a meeting chaired by the Rugby Football Union president Bill Bishop was boycotted by the three men charged by the RFU with negotiating with Courage League One and Two clubs.

Cricket

B & H Cup: Derbyshire v Lancashire

Jones emits no moans after darkness falls on Derbyshire

David Hoggis at Chesterfield. DERBYSHIRE'S new captain Dean Jones took a philosophical view of the defeat that could cost his county a place in the Benson and Hedges Cup quarter-finals.



Third man's... Dean Jones bids someone else chase Neil Fairbrother's open-faced deflection

ONLY nine overs were possible at Cardiff, where Somerset won on better run-rate after Glamorgan had advanced from 108 for two to 161 for six.

Table with cricket statistics including scores, run rates, and player names for various matches.

Golf Europe looking for winners

David Davies at St Pierre

THE women's professional scene begins this morning on the course, and in the country where it will come to full fruition later this year. This week it is the Welsh Open, in September it will be the Solheim Cup, and both will be settled on this course near Chesil.

The result also made the contest itself interesting. After the US won the first of these biennial events by 11% to 4% at Lake Nona, Florida, it was in danger of being seen as a parochial walk-over, but the Dalmahoy margin, 11% to 6%, gave the lie to that.

Sport in brief

Rugby Union

Bath could play in Romania in next season's Heineken European Cup after yesterday's draw for the competition, which is being expanded with English and Scottish sides.

Soccer

A goal in either half from the prolific Liverpool Youth striker Michael Owen took England to a 2-1 victory in their pool match against Turkey in the European Under-16 Championship tournament at Schrems, Austria.

Tennis

Henman pulls out of Davis Cup

STEPHEN BIERLEY. TIM HENMAN, who this week became the British No. 1, has been forced to pull out of tomorrow's Davis Cup tie against Slovenia.

Table Tennis

Henman pulls out of Davis Cup

The former national champion Andrea Holt was given a red card when match-point down to Mihaela Steff after kicking over a barrier during yesterday's third-place play-off in the European Championships in Bratislava.

Table with starting today information for various sports events.

Graham in line for Chelsea job, page 14
Collins takes the Bosman road, page 14

O'Sullivan wins Crucible thriller, page 15
Henman out of Davis Cup tie, page 15

SportsGuardian

CHELSEA MOUNT LAST-DITCH CAMPAIGN TO KEEP THEIR MAN

Battle rages over future of Hoddle

Martin Thorpe on a long day of delicate negotiations over who succeeds Terry Venables as England manager

GLENN HODDLE is expected to formally accept the job of England manager today after spending all of yesterday deep in meetings and surrounded by speculation concerning his immediate future.

It is understood that the Chelsea manager feels the time is right to take up the position he has long coveted, and that this call of destiny overrides any reluctance or sadness he harbours about leaving Stamford Bridge.

Hoddle said yesterday: "Yes, I have been offered the job and I have been given 48 hours to think about it. Lots of thoughts are on my mind and I have got a lot of decisions to make — but a decision hasn't been made yet."

He later added, before departing for two unspecified meetings: "We're hoping that things can be sorted out over the next few hours." It is known that the FA sub-committee charged with finding a replacement to Terry Venables, made as certain as they could that whoever they approached to fill the position would say yes to the offer.

Hoddle had spent yesterday morning locked in four hours of talks with the Chelsea vice-chairman Matthew Harding who was desperately trying to persuade him to stay. But even Harding acknowledged afterwards the hard choice Hoddle had to make. "Glenn is very keen and happy at Chelsea," he said, "but the offer of the England manager's job isn't something you can dismiss lightly."

Although Ken Bates, the Chelsea chairman, is under pressure to persuade Hoddle to stay, the two are not the greatest of friends. Bates would prefer someone less forthright in his public criticisms and more sympathetic to his view of how the club should be run. Hoddle, on the other hand, finds his chairman's prickly and idiosyncratic character difficult to deal with.

Yesterday Bates was predictably barbed: "If he does decide to go for the England job I wish him all the luck in the world — because, frankly, he is going to need it."

Harding's personal plea came after Hoddle was invited by the FA on Monday night to replace Venables and while the manager was considering the offer the Chelsea vice-chairman slipped in, putting a spirited case for staying at Stamford Bridge to the man who has revitalised the team and the club.

"I keep reminding Glenn that he's younger than me and that he can put his dream of managing England on hold," said Harding. "It is a question of trying to persuade Glenn that there are exciting times ahead at this club and we want him to be part of it."

"But the most important thing for Chelsea today was that Glenn and I spoke for the best part of four hours together and most people thought it would be just a case of him spending 10 minutes over coffee with me and then saying, 'sorry Matthew, but I'm on my way.'"

"He was keen to speak to me, but it is important he makes the right decision. It's a question of looking at every side and hoping that Glenn can come up with a decision he can live with."

Hoddle has been procrastinating over signing a new

contract at Chelsea to replace the one that runs out this summer. He harbours deep reservations about the club's financial commitment to team strengthening and is unimpressed by the ongoing internal power battle between Bates and Harding.

He has been seeking assurances over these matters and following recent talks, the Chelsea board is also reported to have offered him £350,000 a year to stay.

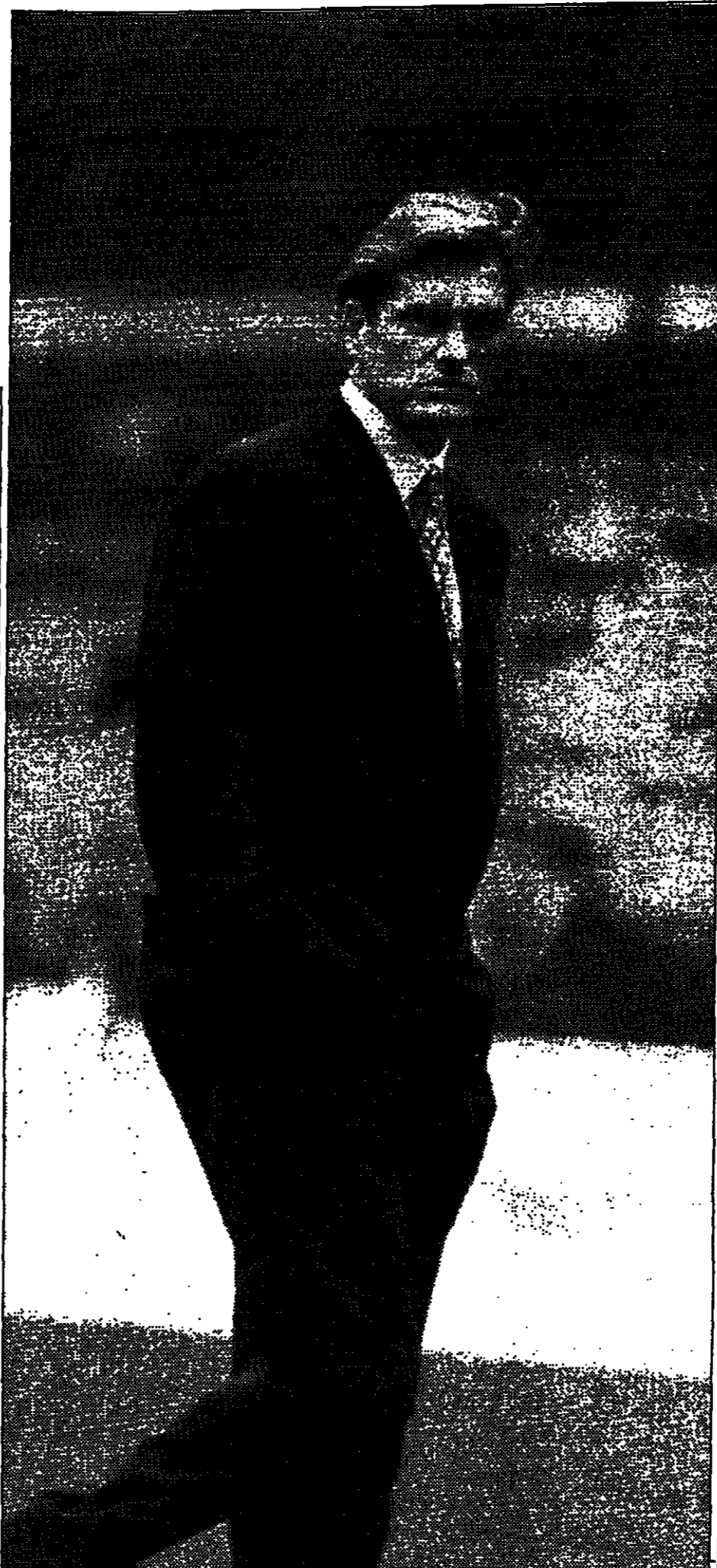
Yesterday Bates indicated that while he wanted Hoddle to remain, his patience was running out. "We're rapidly getting to a situation where we could finish up without a manager and going into the summer looking for one. That is unacceptable and unfair to Chelsea and their fans, so I think it is make your mind up time."

Bates, who met Hoddle's agent yesterday, also had a blast at the FA for approaching Hoddle before contacting the club. "I'm very disappointed with the FA. If they had Glenn on their shortlist they should have approached him a month or so ago so the matter could have been resolved. But," he added, "anarchy rules these days."

The Chelsea chairman then knocked on the head any suggestion of Hoddle making Ruud Gullit England's first foreign coach. "There is no way he will be leaving Chelsea. He is under contract until June 1997 and under no circumstances, directly or indirectly, would we release him from it. If he plays football or does any coaching at all, it will be for Chelsea next season."

Gullit himself said: "I was surprised to see my name suggested as England No. 2 but I can't really talk about it at the moment. We will have to see what Glenn decides to do. I am enjoying myself at the club and all I want to do is to play football."

The FA refused to comment yesterday, but Venables said of Hoddle: "He is a good choice, exceptional. He has the quality he needs, he is the man for the job."



Wanted man... Glenn Hoddle spent yesterday morning in talks with Matthew Harding, Chelsea's vice-chairman. The club have reportedly offered him £350,000 a year to stay

High season for the drug programmes



Peter Nichols

IUSED to love bank holidays. They ushered in summer, a drawing back of veils. Bank holidays, though, mean nothing any more — only that they are good days to work because the phone never rings — and summer sneaks up on me. I probably wouldn't even know it was there if it wasn't for my regular alarm call from a TV researcher.

The sap rises among documentary makers when summer is coming, the thoughts turn to things of sport, notably drugs in sport, and they despatch a researcher, who usually has no knowledge of drugs or sport, to find out exactly who's injecting what into whom.

I get the call in the formative stage of such programmes because I was once considered an expert on drug matters, although I haven't written about it properly for years. I started in the mid-Eighties when it was all an open secret and British athletes used to pop over to Portugal to buy their steroids over the counter and the deaths from liver cancer weren't being counted. For half a dozen years I kept abreast of developments, but that was enough. Writing about sport should be edifying, writing about drugs to sport isn't.

Yet, come May each year, the subject is reawakened, not with just one call this year but three: a medical friend writing a column on steroids, an old contact calling for a chat, and the TV researcher. I knew the researcher, he had come down to the house a year ago and I had lent him a few papers and books. Ostensibly he was calling to tell me that he still had my copy of the Dublin Enquiry report (Ben Johnson and all that). He seemed to think I was urgently in need of it, but I persuaded him that there was only limited excitement in re-reading an 800-page transcript.

Information, though, is what drives the TV researcher, and before I could make my excuses and put down the phone he was off, seeking clarification of a story that Kerith Brown was found positive at the Seoul Olympics

only because there was a trade-off with the IOC about another British positive, Linford Christie, if you remember, had minute traces of pseudoephedrine in his sample, but insufficient to be confirmed positive. I told him that story was nonsense and put down the phone.

The old contact was more interesting. Sometimes, when you are not seeking information, so much more of it comes your way. He brought the conversation on to human growth hormone and how it was currently being used. Growth hormone was one of the disaster areas of the early Eighties. Athletes started using it when they discovered its anabolic qualities, but the drug was obtained only by abstraction from the pituitary glands of dead people. The true horror of this was brought home when the American FDA removed all natural growth hormone from the US market because it had been implicated in instances of Creutzfeldt-Jakob disease.

The manufacture of synthetic growth hormone brought the product back into use by athletes, although it did have a number of side-effects. These included a condition called acromegaly, which involves elongation of the feet, hands, forehead and the jawbone. It was also noticed, around this time, that a number of athletes were having braces fitted to their teeth, a little unusual for men in their late twenties.

The psychological effect this had on opponents was considerable. Indeed, one discus thrower was reputed to have had a brace fitted simply to scare the pants off the opposition, although he never took anything stronger than tea.

ANYWAY, even the braces have been left behind with the latest version of the drug. It is known as insulin-like growth hormone and has been synthesised to exclude all the side-effects. It is, he told me, safe, undetectable and very effective, the perfect performance-enhancing drug.

Only there was one problem. When everybody used steroids, it was democratic because everyone could afford them. Insulin-like growth hormone costs about £10,000 for one month's supply.

My doctor friend rang back later that day and asked me to tell her everything I knew about steroids, which were about to be made illegal. I drew breath. "Well," I said, "I'm getting a little behind on this Olympic handbook I'm doing. Let me give you the number of someone else."

The Chelsea line



Matthew Harding
Vice-chairman
"We want Glenn to be part of the future at Chelsea. He has got a big job to finish off. After all, if he does take the England job he can't put Ruud Gullit in the side or Dan Petrescu — and Klinsmann up front"

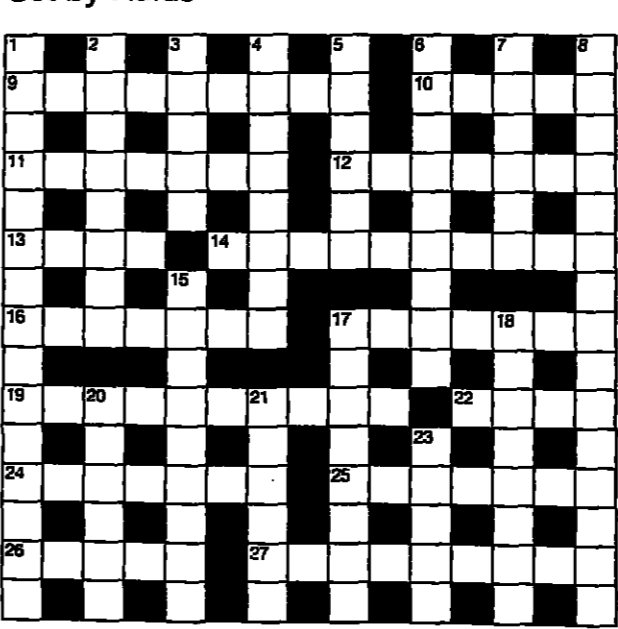


Ken Bates
Chairman
"Anarchy rules these days. I'm very disappointed with the FA. It's very bad behaviour on their part. If they had Glenn on their shortlist, they should have approached him a month or so ago."

It has neither the Tarantino film's sense of post-modern moral blankness nor the super-clever intricacy of the Bryan Singer film. But it works.
Derek Malcolm

Guardian Crossword No 20,642

Set by Rufus



- Across**
- 9 Make changes to it again and there'll be trouble (9)
 - 10 Composer with capacity for drive (5)
 - 11 Repeat treat that is organised (7)
 - 12 Just in the saddle with girls adjusted (7)
 - 13 Either way, it's high time (4)
 - 14 Side line for the artist? (10)
 - 16 Bounty is a big ship (7)
 - 17 An enthusiast to get on and flourish (7)
 - 19 Work on site can cause obstruction (10)
 - 22 Quite a lot of transferable stock? (4)
 - 24 A plant holder? (7)
 - 25 Composer is put back in iron for correction (7)
 - 26 After a drink Jack went back to the dance (5)
- Down**
- 1 Millions may be involved in this gamble on a race (8,7)
 - 2 Players' entrance at the football ground? (4,4)
 - 3 Commonplace restriction on a learner (5)
 - 4 I'm upset over a succession of wretched experiences (8)
 - 5 What is needed is no huge change (6)
 - 6 Upsets open containers (9)
 - 7 Shock for king in battle (5)
 - 8 Strike teacher, get punishment and feature in the newspaper (3,3,9)
 - 15 It provides blanket coverage — for a dorm feast? (8)
 - 17 Prosper and show off (8)
 - 18 Cinema developed in the States (8)

CROSSWORD SOLUTION 20,641

1 DOWN: 1000000000
2 DOWN: 1000000000
3 DOWN: 1000000000
4 DOWN: 1000000000
5 DOWN: 1000000000
6 DOWN: 1000000000
7 DOWN: 1000000000
8 DOWN: 1000000000
9 DOWN: 1000000000
10 DOWN: 1000000000
11 DOWN: 1000000000
12 DOWN: 1000000000
13 DOWN: 1000000000
14 DOWN: 1000000000
15 DOWN: 1000000000
16 DOWN: 1000000000
17 DOWN: 1000000000
18 DOWN: 1000000000
19 DOWN: 1000000000
20 DOWN: 1000000000
21 DOWN: 1000000000
22 DOWN: 1000000000
23 DOWN: 1000000000
24 DOWN: 1000000000
25 DOWN: 1000000000
26 DOWN: 1000000000

Solution tomorrow

20 Criticise a mother in straw hat (6)
21 Fuss about the French in Spain (6)
23 Row about South Carolina film award (5)

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